2003-2004 ANNUAL REPORT

Aboriginal Affairs and Northern Development

Alberta
ABORIGINAL AFFAIRS AND NORTHERN DEVELOPMENT

Aboriginal Affairs and Northern Development

Annual Report 2003-2004

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Preface

Public Accounts 2003-04

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Government Accountability Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 24 ministries.

The annual report of the Government of Alberta, released June 29, 2004, contains the Minister of Finance's accountability statement, the consolidated financial statements of the Province and a comparison of the actual performance results to desired results set out in the government's business plan, including the *Measuring Up* report.

This annual report of the Ministry of Aboriginal Affairs and Northern Development (AAND) contains the Minister's accountability statement, the audited financial statements of the Ministry and a comparison of actual performance results to desired results set out in the Ministry business plan. This Ministry annual report also includes other financial information as required by the *Financial Administration Act and Government Accountability Act*, either as separate reports or as a part of the financial statements, to the extent that the Ministry has anything to report.

Minister's Accountability Statement

The Ministry's Annual Report for the year ended March 31, 2004, was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as at September 1, 2004 with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

Pearl Calahasen, MINISTER
Aboriginal Affairs and Northern Development

Message from Minister Calahasen

Aboriginal Affairs and Northern Development continues to focus on strengthening partnerships to advance the social and economic well-being of Aboriginal people and Northern Albertans. As a Ministry, we recognize that all stakeholders must work together to achieve this goal.

I am pleased to present the 2003-04 Aboriginal Affairs and Northern Development annual report, which proudly reflects the commitments and actions of not only my Ministry, but other provincial departments, other levels of governments, First Nations, Metis and other Aboriginal communities and organizations, industry and other interested parties.

This year we took some major strides towards increasing Aboriginal participation in Alberta's economy. Our efforts resulted in the inclusion of Aboriginal-based statistics in the monthly Alberta Labour Force Survey. Also, the combined efforts of the federal, provincial and territorial Aboriginal Affairs Ministers with input from Aboriginal women, entrepreneurs and Aboriginal women's organizations across Canada resulted in a business-planning guide directed toward Aboriginal women. We successfully launched an initiative, which improves the information available to Aboriginal communities about employment and business opportunities and enables them to better align their training plans with available opportunities.

AAND saw an increased interest in northern development and requests for greater coordination of initiatives and approaches to northern challenges. We are working on a clear northern strategy to meet the needs and aspirations of northerners through increasing northern capacity for innovation, commercialization and job creation, and the promotion of sustainable development. Air, road and rail transportation, education and infrastructure are just a few areas on which we are concentrating. My Ministry will continue to work with the Northern Alberta Development Council to ensure the interests of Northern Albertans are given prominence.

2003-04 was a very successful year. We will continue to build on the momentum that has been building for the last three years. We remain committed to the goals, principles and commitments to action in the *Aboriginal Policy Framework* and will continue to strengthen relations between Alberta ministries and Aboriginal people and to raise both the awareness and inclusiveness of Aboriginal people among all other Albertans.

Pearl Calahasen, MINISTER
Aboriginal Affairs and Northern Development

Management's Responsibility for Reporting

The Ministry of Aboriginal Affairs and Northern Development includes the Department of Aboriginal Affairs and Northern Development with the Northern Alberta Development Council and the Métis Settlements Appeal Tribunal reporting to the Minister.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and business plans, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the financial statements and performance results for the Ministry rests with the Minister of Aboriginal Affairs and Northern Development. Under the direction of the Minister, I oversee the preparation of the Ministry's annual report, including financial statements and performance results. The financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The financial statements are prepared in accordance with the government's stated accounting policies.

As Deputy Minister, in addition to program responsibilities, I establish and maintain the Ministry's financial administration and reporting functions. The Ministry maintains systems of financial management and internal control, which give consideration to costs, benefits, and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money;
- provide information to manage and report on performance;
- safeguard the assets and properties of the Province under ministry administration;
- provide Executive Council, Treasury Board, the Minister of Finance and the Minister of Aboriginal Affairs and Northern Development any information needed to fulfill their responsibilities; and
- facilitate preparation of ministry business plans and annual reports required under the *Government Accountability Act*.

In fulfilling my responsibilities for the Ministry, I have relied, as necessary, on the executive of the individual entities within the Ministry.

Patricia Meade, DEPUTY MINISTER
Aboriginal Affairs and Northern Development
September 1, 2004

Organizational Overview

The Ministry of Aboriginal Affairs and Northern Development (AAND) leads the implementation of the Government of Alberta's *Aboriginal Policy Framework* (*APF*), which is intended to improve the well-being and self-reliance of Aboriginal people and to guide Alberta's relations with Aboriginal governments, communities, and organizations. The Ministry also focuses on sustainable development in Northern Alberta by partnering with Northerners and businesses, industry and other jurisdictions. The Minister of AAND is also responsible for administration of the Metis Settlements legislation.

AAND contact information: (780) 427-8407; www.aand.gov.ab.ca

Sections Within the Ministry

The following sections are part of the Ministry of Aboriginal Affairs and Northern Development:

- ABORIGINAL LAND AND LEGAL ISSUES
  This section helps identify and resolve land-based issues in Alberta, coordinates all provincial government activities regarding Aboriginal land claims, and works with Alberta Justice to represent Alberta's interests in litigation.

- ABORIGINAL INITIATIVES
  Aboriginal Initiatives works with Aboriginal communities and other partners to enhance social and economic opportunities for Aboriginal people throughout Alberta. This work includes implementing the *Aboriginal Policy Framework* and coordinating government-wide support for the cross-ministry Aboriginal Policy Initiative. This section also oversees a number of agreements between the Alberta government and Aboriginal groups and is responsible for administration of Metis Settlements legislation.

- STRATEGIC SERVICES
  Strategic Services coordinates the implementation of government-wide strategies, including the cross-ministry Aboriginal Policy Initiative. This section also publishes research and statistical reports about Aboriginal communities and people in Alberta, coordinates AAND participation in intergovernmental processes, and leads corporate planning for the Ministry.

- **OFFICE OF THE SENIOR FINANCIAL OFFICER / CHIEF INFORMATION OFFICER**

  The Office of the Senior Financial Officer/Chief Information Officer coordinates the provision of financial services, information technology and administration for the Ministry, through shared service arrangements with Alberta International and Intergovernmental Relations, and the Alberta Corporate Service Centre. Human resource services are provided through contracts with Alberta Learning.

- **COMMUNICATIONS**

  Communications provides strategic communications planning, issues management and media monitoring and relations services. This section also coordinates website development, advertising, and printing.

Other Entities Within the Ministry

- **NORTHERN ALBERTA DEVELOPMENT COUNCIL (NADC)**

  The NADC is a council of and for northerners, working to advance northern social and economic development. The NADC works in partnership with the private sector, communities, economic development agencies, Aboriginal groups, and government ministries. Gary Friedel, MLA, chairs the Council and reports to the Minister of AAND.

  NADC offices are located in Peace River, Lac La Biche, and Edmonton. Staff reports through an Executive Director to the Deputy Minister of AAND.

  NADC contact information: **(780) 624-6274; www3.gov.ab.ca/nadc**

Other Entities Reporting to the Minister

- **METIS SETTLEMENTS APPEAL TRIBUNAL (MSAT)**

  The MSAT, a quasi-judicial body, hears land and membership appeals arising between Métis Settlement members and councils. The Chair of MSAT reports to the Minister of AAND. The Minister and the Métis Settlements General Council both appoint members to the Tribunal. Administrative support and staffing are provided by the Ministry.

  MSAT contact information: **(780) 422-1541; www.msat.gov.ab.ca**

Chart of Ministry Entities

Operational Overview

Vision

An Alberta that includes full participation of Aboriginal and Northern Albertans in the province's opportunities and prosperity.

Mission

To advance the social and economic development of Aboriginal people and Northern Albertans.

Core Businesses

Strengthening Relationships, The Government of Alberta's Aboriginal Policy Framework (APF) is the policy foundation for implementing core businesses relating to Aboriginal people in Alberta. The *APF* establishes principles and commitments to action for all Ministries to work in partnership with First Nations, Métis and other Aboriginal communities, organizations, and people and with other governments, industry and interested parties to facilitate the participation of Aboriginal people in the life and economy of Alberta.

The Ministry:

- promotes and facilitates initiatives to improve the participation of Aboriginal people in Alberta's social and economic opportunities
- implements strategies to promote self-reliant and self-regulating Métis Settlement governments
- manages the Province's legal and constitutional obligations with respect to First Nations, Métis and other Aboriginal people and
- promotes and facilitates initiatives to advance the development of Northern Alberta.

Role of the Ministry

AAND is not a program ministry, but rather serves as a catalyst, coordinator and facilitator in developing and implementing Aboriginal policies, programs and services across government. The Ministry also works with other ministries to develop, coordinate and implement strategies to advance economic and social opportunities in Northern Alberta. The Ministry relies on the active support of other ministries and agencies in addressing Aboriginal issues. AAND also communicates government programs and policies to Aboriginal people, industry and other interested parties.

Key Factors that Influenced Performance

During 2003-04, AAND's profile continued to increase with other ministries, industry, local governments and also with Aboriginal governments, communities and organizations. AAND is also becoming increasingly engaged in northern development and sustainability issues as a result of cross-jurisdictional discussions with other provinces, territories and regions. Improving consultation practices regarding resource development on Crown land and addressing gaps in regulatory processes continue to be key challenges for the department.

The Aboriginal population is continuing to grow in Alberta, especially in the main urban centres of Edmonton and Calgary. The Aboriginal population is also very mobile, both in terms of moving between cities and home communities and within specific cities, which creates challenges for government-funded service providers.

AAND is working with Métis Settlements and the Métis Settlements General Council to prepare for 2007 when statutory provincial funding to Settlements ends.

Significant efforts are also being required to develop provincewide strategies and to engage with First Nations governments and Canada on self-government.

Key Activities

Aboriginal Affairs and Northern Development was involved in numerous activities during 2003-04, which are described further in the Results Analysis section of this report. The following information outlines activities, improvements, and major consultation processes that took place during the year.

ABORIGINAL POLICY FRAMEWORK

AAND continues to work toward fulfilling the commitments to action outlined in *Strengthening Relationships: The Government of Alberta's Aboriginal Policy Framework (APF)*. The *APF* sets out the basic structure for existing and new Government of Alberta policies to address First Nations and Métis issues in Alberta and also facilitates Aboriginal input into strategies being developed by other provincial ministries.

AAND's accomplishments in 2003-04 toward implementation of the *APF* included expanding the role of the Aboriginal Policy Initiative (API), the mechanism for coordination across ministries in areas such as:

Economic Participation: Aboriginal Workforce Participation Initiative (AWPI): AAND worked with other provincial ministries and Indian and Northern Affairs Canada (INAC) to initiate Alberta's participation in the federal AWPI program. AWPI is intended to improve the information flow to Aboriginal communities about employment and business opportunities to enable them to better align their training plans with available opportunities. AWPI also assists employers in preparing their workplace for Aboriginal employees. On March 31, 2004, Alberta signed a partnership agreement with the Government of Canada to promote partnerships with businesses to enhance Aboriginal participation in the Alberta economy. This was the first such federal/provincial agreement.

Labour Force Survey Aboriginal-specific pilot project: AAND worked with Alberta Human Resources and Employment and Statistics Canada to include Aboriginal "identifiers" in the monthly Alberta Labour Force Survey. This pilot project, the first of its kind in Canada, provides a new source of provincial data on Aboriginal participation in the economy.

Economic Development Strategy: AAND supported the Economic Development Strategy, a cross-ministry priority policy initiative, through participation on the Rural Development Initiative and the Regional Economic Development Initiative. This support included provision of Aboriginal and northern information and analysis, ensuring that Aboriginal issues and perspectives are included in the development of provincial economic strategies.

Journey to Success: AAND, on behalf of the federal, provincial and territorial Aboriginal Affairs Ministers, launched *Journey to Success*, a business-planning guide directed toward Aboriginal women. *Journey to Success* reflects input from Aboriginal women, entrepreneurs and Aboriginal women's organizations across Canada.

Aboriginal Consultation Initiative: AAND worked with seven other Alberta Ministries (Community Development, Economic Development, Energy, Environment, Justice, Sustainable Resource Development, and Transportation) on developing a provincial policy for Aboriginal consultation on land management and resource development. The Ministry led the strategy development and also provided training to increase Aboriginal consultation capacity within the Government of Alberta and First Nations.

Aboriginal Well-Being: AAND works with other provincial departments and agencies, service providers and Aboriginal communities and organizations to enhance the effectiveness of provincial programming in addressing the well-being of Aboriginal people.

Aboriginal Youth Suicide Prevention Strategy: With the ministries of Health and Wellness and Children's Services, AAND co-chaired development of this strategy.

Fire prevention education: AAND worked with Alberta Municipal Affairs to develop and deliver an Aboriginal-specific *Fire Safe* campaign.

Arrangement for Funding and Administration of the Social Service Agreement: AAND coordinated Alberta's participation with First Nations and the federal government to review the existing Canada-Alberta agreement.

Provincial Tobacco Reduction Strategy: AAND participated in implementation of this strategy by providing advice on the cultural use of tobacco. AAND also assisted in the selection of community tobacco reduction projects to aid Aboriginal people and communities in addressing issues related to tobacco use and misuse.

Urban Aboriginal Issues: AAND continued its work with federal and municipal governments, other provincial ministries and Aboriginal communities to identify issues and develop strategies to address the needs and priorities of urban Aboriginal people. AAND increased its involvement in the Calgary Urban Aboriginal Initiative (CUAI), an ongoing process involving the federal government, the City of Calgary, Aboriginal organizations and service providers.

AAND also worked with Edmonton Public Schools and the Federal Interlocutor for Métis and Non-Status Indians to expand the City Centre Education Project. A new program, Achieving Individual Success Through Cultural Pride, will incorporate additional Aboriginal content into the school curriculum and involve a cultural facilitator to incorporate Aboriginal cultures into the classroom.

Cross-Cultural Awareness: AAND promoted improved cross-cultural awareness through the dissemination of information, production of publications and delivery of support for cultural activities and events.

AAND publishes the *Guide to Aboriginal Organizations in Alberta* three times a year.

Aboriginal Framework News: The Ministry produced this semi-annual newsletter to showcase activities supporting the *APF*.

National Aboriginal Day (NAD): AAND organized several events in Edmonton's Commerce Place and assisted Aboriginal groups to organize other NAD events throughout the province.

Relationship-Building: AAND's mandate is to strengthen relationships with Aboriginal governments, organizations and communities through government-to-government relations with First Nations and Métis Settlements and administrative arrangements with other Aboriginal organizations. AAND provided support to the First Nations Resource Council to convene Alberta Chiefs Summits held May 15-16, 2003, in Edmonton and September 23-25, 2003, in Calgary.

AAND convened a meeting of the Western/Territorial Ministers' Forum in Calgary on April 2-3, 2004, at which Aboriginal Affairs Ministers from the four western provinces and three territories agreed to identify common priorities and work together to advance those priorities with the federal government.

The Ministry participated in developing the Blood Tribe *Governance and Child Welfare Agreement-in-Principle*, signed by the Blood Tribe, Canada and Alberta on October 16, 2003.

NORTHERN DEVELOPMENT

Alberta and the Northwest Territories agreed to a five-year extension to its *Memorandum of Understanding*, which promotes co-operation and development between Alberta and the Northwest Territories. Transportation, health, research and innovation, water and tourism are some of the main issues being examined under the agreement.

The Ministry works with other ministries to develop, coordinate and implement strategies to advance economic and social opportunities in northern Alberta. During 2003-04, the Ministry, through the NADC, provided opportunities for northern Albertans to express their views and address key opportunities and challenges. For example, Leaders' Roundtable meetings were held in Manning, Bonnyville, Fox Creek and Athabasca/Boyle; the *Challenge North* conference was held in Fort McMurray in April 2003; the Grande Cache Opportunities Seminar focused on resource development, tourism and Aboriginal issues, while the High Level Opportunities Seminar highlighted transportation issues and co-operation between Northern Alberta and the Northwest Territories.

The Northern Alberta Development Council (NADC) provided bursary programs to encourage northern students to train in occupations where labour shortages exist in Northern Alberta. The NADC Bursary for Medical Students was also introduced in 2003-04. Bursary recipients are expected to return to the North to work upon completion of their studies.

RESOLUTION OF LAND AND OTHER CLAIMS

During 2003-04, AAND continued its work to settle land claims in a manner that promotes certainty and is fair and equitable to all parties. During the past year, a settlement was reached on the Fort McKay Treaty Land Entitlement claim.

Legislative and Policy Changes

During 2003-04, the Ministry developed amendments to the *Métis Settlements Act*, intended to improve governance, decision-making and accountability. The amendments include:

- improved decision-making by changing the voting requirement on approval of laws from an eight-of-eight-Settlement vote to a six-of-eight-Settlement vote
- improving electoral stability through the establishment of elections every three years for all five Council positions instead of an annual staggered election system
- providing a statutory base for the Métis Settlements Ombudsman (MSO) and
- expanding the jurisdiction of the Métis Settlements Appeal Tribunal (MSAT).

Consultative Processes

MINISTRY ADVISORY COMMITTEES

During 2003-04, the Minister of Aboriginal Affairs and Northern Development established three advisory committees to gather input on issues, Ministry initiatives and business and strategic planning processes. The three advisory committees are:

- the Aboriginal Community Advisory Committee, consisting of First Nations and Métis elders and community members from across Alberta
- the Aboriginal Youth Advisory Committee, consisting of First Nations and Métis youth from communities across Alberta and
- the Industry Advisory Committee, consisting of members from various business sectors such as oil and gas, oil sands, banking, telecommunications, electricity distribution and forestry.

Improved Operations, Accountability and Responsiveness

For 2003-04, the Ministry continued to focus on human resource development, as well as strategic planning and continued improvements to operational efficiency.

Human Resource Development: The Ministry completed and implemented a Human Resource Plan consistent with the government-wide Corporate Human Resource Development Strategy. The Ministry's Plan was approved and communicated to all staff in July 2003. The Ministry also developed a workshop on Aboriginal policy for AAND managers and a "Traditional Values and Beliefs Workshop" to promote cross-cultural awareness.

Operational Efficiency: During 2003-04, AAND completed a review of agreements between the Province of Alberta and all Aboriginal communities, organizations and governments. The Ministry is developing a system to catalogue existing and future agreements digitally, and will be responsible for future maintenance of this cross-ministry resource.

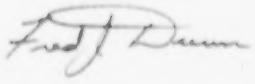
Report of the Auditor General on the Results of Applying Specified Auditing Procedures to Performance Measures

To the Members of the Legislative Assembly

In connection with the Ministry of Aboriginal Affairs and Northern Development's performance measures included in the *2003-2004 Annual Report of the Ministry of Aboriginal Affairs and Northern Development*, I have:

1. Agreed information from an external organization to reports from the organization.
2. Agreed information from reports that originated within the Ministry to source reports. In addition, I tested the procedures used to compile the underlying data into the source reports.
3. Checked that the presentation of results is consistent with the stated methodology.
4. Checked that the results presented are comparable to stated targets, and information presented in prior years.
5. Checked that the performance measures, as well as targets, agree to and include results for all of the measures presented in Budget 2003.

As a result of applying the above procedures, I found no exceptions. These procedures, however, do not constitute an audit and therefore I express no opinion on the performance measures included in the *2003-2004 Annual Report of the Ministry of Aboriginal Affairs and Northern Development*.



Fred J. Dunn, FCA
AUDITOR GENERAL

Edmonton, Alberta
August 13, 2004

Results Analysis

Financial Results

The Ministry's financial performance was within budget. In addition to the Ministry's annual appropriation for 2003-04, authority for certain unbudgeted expenditures was obtained by way of Supplementary Estimate.

A Supplementary Estimate of $2,000,000 was approved to provide continued funding for the Aboriginal Consultation Initiative. Original funding for the Aboriginal Consultation Initiative was provided in 2002-03.
A Supplementary Estimate of $1,750,000 was approved to provide funding for land claim implementation for the Fort McKay First Nation.

Expense by Core Business

The Ministry's 2003-04 expenses by core business (thousands of dollars) are outlined in the table below.

	Comparable 2003-04 Budget	Comparable 2003-04 Actual	Comparable 2002-03 Actual
Aboriginal Affairs	$ 29,629	33,385	61,798
Northern Development	$ 1,974	1,926	1,953
Ministry Expenses	$ 31,603	35,311	63,751

Expense by Function

The Ministry's 2003-04 expense by function (thousands of dollars) is outlined in the table below.

	2003-04 Budget	2003-04 Actual	2002-03 Actual
Regional Planning and Development	$ 31,603	35,311	63,751

Goal 1: Participation of Aboriginal People in Alberta's Social and Economic Opportunities

To provide strategic and coordinated responses to improve the participation of Aboriginal people in Alberta's social and economic opportunities.

INTRODUCTION

Strengthening Relationships: The Government of Alberta's Aboriginal Policy Framework (APF) outlines provincial government policy and guides Alberta's relations with Aboriginal people. The *APF* applies across all Alberta ministries and commits the Government of Alberta to working with Aboriginal people, other governments, industry and other interested parties toward two goals:

1) individual and community well-being and self-reliance and
2) clarification of federal, provincial and Aboriginal roles and responsibilities.

The *APF* encompasses all of the results reported under Goals 1, 2 and 3. AAND is responsible for leading implementation of the *APF* across government, and works with other Alberta ministries and other partners to address specific commitments.

ABORIGINAL POLICY FRAMEWORK

Addressing many of the 44 commitments to action in the *APF* requires coordination between provincial ministries as well as partnerships with the Aboriginal community, other governments and industry. AAND plays a major role in facilitating relationships between provincial ministries and Aboriginal communities, organizations and service providers. AAND also works with partners on specific economic participation and well-being initiatives and promotes inclusion of Aboriginal perspectives in the development of other provincial policies and strategies. This section summarizes the Ministry's results related to the following aspects of *APF* implementation:

- Aboriginal Policy Initiative
- Economic Participation
- Aboriginal Well-Being
- Urban Aboriginal Issues
- Cross-Cultural Awareness
- Engagement with Stakeholders (Advisory Committees)

Aboriginal Policy Initiative: For 2003-04, the Aboriginal Policy Initiative (API) continued as one of the Government of Alberta's cross-ministry priority policy initiatives. The API provides mechanisms for cross-ministry coordination to address the commitments to action identified in the *APF*.

AAND continued to lead the API, with support from its co-champion ministries, Alberta Justice and Alberta Children's Services. Twelve Deputy Ministers are now participating on the API Champion and Supporting Deputy Ministers Committee. This committee oversees interdepartmental initiatives to address the *APF* commitments, and development of and reporting on the API targets in the Government Business Plan. Results for the API annual targets and long-term measures are included in the section on Performance Measures for Goal 1.

Economic Participation: AAND worked with other Ministries, the federal government, business and industry stakeholders, and Aboriginal communities and organizations to develop strategies and initiatives to improve Aboriginal participation in the Alberta economy. The Ministry's activities during 2003-04 focused on increasing capacity within government in relation to Aboriginal economic participation issues and development of partnerships to address these issues. Results for 2003-04 include:

- **Aboriginal Workforce Participation Initiative (AWPI):** AAND worked with other provincial ministries and Indian and Northern Affairs Canada (INAC) to initiate Alberta's participation in the federal AWPI program. The AWPI is intended to improve the information available to Aboriginal communities about employment and business opportunities, to enable them to better align their training plans with available opportunities. AWPI also works with employers to assist them in preparing the workplace for Aboriginal employees. On March 31, 2004, Alberta signed a partnership agreement with the Government of Canada to promote partnerships with businesses to enhance Aboriginal participation in the Alberta economy. This was the first such agreement to be signed by the Government of Canada and a province.
- **Labour Force Survey Aboriginal-specific pilot project:** AAND worked with Alberta Human Resources and Employment (AHRE) and Statistics Canada to include Aboriginal "identifiers" in the monthly Alberta Labour Force Survey. This pilot project, the first of its kind in Canada, will provide a new source of provincial data on Aboriginal participation in the economy. The identifiers have begun to yield results. AHRE has prepared monthly profiles of Aboriginal labour force activity since May 2003. During 2003-04, AAND coordinated new funding to continue this project for 2004-05, with support from six other provincial ministries (AHRE, Economic Development, Learning, Energy, Finance and Sustainable Resource Development).

Progress on other economic participation initiatives during 2003-04 included:

- negotiation of arrangements with Canada, the Little Red River Cree Nation and the Municipal District of Mackenzie for construction and maintenance of all-weather roads to the communities of Fox Lake and Garden River
- ensuring consideration of Aboriginal issues and perspectives in the development and implementation of provincial labour force planning strategies and
- coordination of provincial support for the 2004 *Blueprint for the Future* Career Fair in Edmonton (February 2004), organized by the National Aboriginal Achievement Foundation.

AAND supported the Economic Development Strategy, a cross-ministry priority policy initiative, through participation on the Rural Development Initiative and the Regional Economic Development Initiative. This support included providing Aboriginal and northern information and analysis, and ensuring that Aboriginal issues and perspectives are included in the development of provincial economic strategies.

Aboriginal Well-Being: While AAND's mandate does not include program delivery, the Ministry works with other provincial departments and agencies, service providers and Aboriginal communities and organizations to enhance the effectiveness of provincial programming in addressing the well-being of Aboriginal people.

During 2003-04, AAND provided advice and support to the Heath Sustainability Initiative (HSI) and the Alberta Children and Youth Initiative (ACYI), two priority policy initiatives that include well-being issues. Ministry participation in the HSI included representation on the Deputy Ministers' Committee, Assistant Deputy Ministers' Committee and Working Committee.

The Ministry brought Aboriginal and northern perspectives to the ACYI through participation on the ACYI Partnering Deputies Committee, the ACYI Coordinating Committee, and the Performance Measures, Youth in Transition and Family Violence Committees. With the Ministry of Health and Wellness and Children's Services, AAND co-led development of a provincial Aboriginal Youth Suicide Prevention Strategy (pilot projects to be implemented under the ACYI beginning in 2004-05).

The Ministry also provided advice and support to several other initiatives during 2003-04. The Ministry

- coordinated Alberta participation with First Nations and the federal government to review the *Arrangement for the Funding and Administration of the Social Service Agreement* (Administrative Reform Agreement) between Alberta and Canada
- worked with Alberta Municipal Affairs to develop and deliver an Aboriginal-specific *Fire Safe* campaign and
- participated in implementation of the Provincial Tobacco Reduction Strategy.

Urban Aboriginal Issues: During 2003-04, AAND continued its work with federal and municipal governments, other provincial ministries and Aboriginal communities to identify issues affecting urban Aboriginal people and develop strategies to address these issues.

AAND increased its involvement in the Calgary Urban Aboriginal Initiative (CUAI), an ongoing process involving the federal government, the City of Calgary, Aboriginal organizations and service providers, and the province. The CUAI process has been developed as a method for determining and responding to community priorities for addressing issues affecting Aboriginal people living in the City of Calgary.

AAND worked with the City of Edmonton and the federal government on development of the Edmonton Urban Aboriginal Accord process, an opportunity for relationship-building between the City and Aboriginal people in Edmonton.

AAND also worked with Edmonton Public Schools and the Federal Interlocutor for Métis and Non-Status Indians to expand the City Centre Education Project. A new program, *Achieving Individual Success Through Cultural Pride*, will incorporate additional Aboriginal content into the curriculum.

Cross-Cultural Awareness: AAND promotes improved cross-cultural awareness through the dissemination of information, production of publications and support for cultural activities and events. Results for 2003-04 include:

- production of three editions of the *Guide to Aboriginal Organizations in Alberta*, a variety of statistical publications based on Canada Census and Indian Register data, and two issues of the Ministry's newsletter, *Aboriginal Framework News*
- an updated *Guide to Funding for Aboriginal People Pursuing Higher Education and Employment*
- hosting of several National Aboriginal Day (NAD) events in Commerce Place and assisting Aboriginal groups to organize other NAD events and coordination of provincial support for and involvement in the National Aboriginal Achievement Awards held in Calgary in April 2004.

Engagement with Stakeholders (Advisory Committees): During 2003-04, the Minister of Aboriginal Affairs and Northern Development established three advisory committees to gather input on issues, Ministry initiatives and business and strategic planning processes. The three advisory committees are:

- the Aboriginal Community Advisory Committee, consisting of First Nations and Metis elders and community members from across Alberta
- the Aboriginal Youth Advisory Committee, consisting of First Nations and Métis youth from communities across Alberta and
- the Industry Advisory Committee, consisting of members from various business sectors including oil and gas, oil sands, banking, telecommunications, electricity distribution and forestry.

All three committees provided the Minister with strategic advice on Aboriginal issues from a variety of perspectives. All three also reviewed the Ministry's draft Business Plan for 2004-07. Members of the Aboriginal Youth Advisory Committee attended a race-relations workshop. One committee member used the materials to conduct a workshop in his community, which was attended by over 300 youth.

ABORIGINAL RELATIONS

AAND's mandate is to strengthen relationships with Aboriginal governments, organizations and communities through government-to-government relations with First Nations and Métis Settlements and administrative arrangements with other Aboriginal organizations. Alberta also participates in a number of federal/provincial/territorial processes on Aboriginal issues.

Government-to-Government Relations: One focus for AAND is enhanced relations with Alberta First Nations. During 2003-04, the Ministry provided support to the First Nations Resource Council to convene Alberta Chiefs Summits held May 15-16, 2003, in Edmonton and September 23-25, 2003, in Calgary.

Alberta, represented by AAND, participated as an observer in discussions between Canada and the Treaty 8 First Nations regarding implementation of the inherent right to self-government. The Ministry participated in development of the Blood Tribe *Governance and Child Welfare Agreement-in-Principle*, signed by the Blood Tribe, Canada and Alberta on October 16, 2003. AAND has since assumed the role as lead provincial Ministry on any future self-government discussions with the Blood Tribe.

AAND continues to lead implementation of the Metis Settlements Legislation, in co-operation with the Metis Settlements General Council (MSGC) (see Goal 2). During 2003-04, the Ministry coordinated Alberta participation in the Metis Settlements Tripartite Process (with the MSGC and Canada) and facilitated development of a Tripartite Process Work Plan.

Administrative Arrangements with Aboriginal Organizations: The Ministry led negotiation and implementation of the *Alberta/Metis Nation of Alberta Association (MNAA) Framework Agreement* for 2003-04. The *Framework Agreement* is a process for ongoing engagement with the MNAA to facilitate effective participation by Metis people in developing and accessing provincial government policies, programs, initiatives, resources and services. AAND also coordinated Alberta participation in the MNAA Tripartite Process Agreement with the MNAA and Canada.

AAND provides support to Alberta's 20 Friendship Centres on governance and internal planning issues and works with the Alberta Native Friendship Centres Association (ANFCA) on capacity-building initiatives (see Capacity-Building section, on page 29).

Federal/Provincial/Territorial/Aboriginal (F/P/T/A) Relations: The Ministry participates in ongoing processes involving federal/provincial/territorial governments and National Aboriginal Organizations (NAOs). F/P/T/A activities during 2003-04 included:

F/P/T/A Forum: This process involves the federal, provincial and territorial Aboriginal Affairs Ministers and six NAOs. On January 29, 2004, the Minister of AAND, on behalf of the F/P/T/A Forum, launched *Journey to Success*, a

business planning guide directed toward Aboriginal women. *Journey to Success* reflects input from Aboriginal women, entrepreneurs and Aboriginal women's organizations across Canada.

Western/Territorial Ministers' Forum: This forum, involving Aboriginal Affairs Ministers from the four western provinces and three territories, continued to develop throughout 2003-04. A major focus during the past year was on identifying common priorities among western jurisdictions, with the intent of advancing those priorities with the federal government.

AAND convened a meeting of the Western/Territorial Ministers' Forum in Calgary on April 2-3, 2004. At that meeting, agreement was reached on collectively advancing the following priority issues with the federal government:

- the growing Aboriginal populations in urban, territorial and remote communities;
- affordable and adequate housing;
- education and early childhood development; and
- Aboriginal health and well-being.

Alberta/Canada Partnership Forum: The Alberta/Canada Partnership Forum was established in 2002 to provide an opportunity for the provincial government to work with the federal government and Alberta Aboriginal organizations (Treaties 6, 7 and 8, the MSCG and the MNAA) on practical projects to address issues of concern to all parties. The forum's focus for 2003-04 was information and communication technology (ICT) for Aboriginal communities (both technology itself and the capacity to use and benefit from the technology). Aboriginal ICT forums were held in Edmonton in December 2003 and Calgary in March 2004.

CAPACITY BUILDING

Improved capacity in Aboriginal communities and organizations contributes to more successful partnerships with government, industry and other partners. AAND works with Aboriginal communities and organizations, industry and other partners on projects to encourage the transfer of skills, knowledge and tools to facilitate improved planning and administrative capacity. AAND's capacity-building projects for 2003-04 included:

- **Alberta Native Friendship Centres Association (ANFCA) Governance Initiative:** The Ministry provided assistance to the ANFCA to increase its organizational capacity. Following a governance review, new bylaws were completed and filed with the Societies' registrar, a Board of Directors Policy was developed and a Board Committee structure was established.
- **Information Communications Technology (ICT):** AAND worked with the Lesser Slave Lake Indian Regional Council (LSLIRC) to co-host an Aboriginal ICT Forum. At the Forum, Aboriginal communities and organizations, government departments and agencies, and the private sector discussed challenges facing Alberta's Aboriginal communities in taking full advantage of the SuperNet. The Ministry also produced a guide, *Information Technology Resources in Alberta*, to assist Aboriginal groups in enhancing their ICT capacity.
- **MNAA Governance Initiative:** The Ministry provided assistance to the MNAA to review and update MNAA local governance.

AAND also worked with the Alberta Mentoring Partnership and Alberta Children's Services to enhance mentoring opportunities in four Aboriginal communities.

Improved Planning by Aboriginal Organizations: AAND's capacity-building projects are intended to enhance the ability of Aboriginal communities and organizations to plan and manage their own projects. The Ministry also facilitates development of planning and management capacity by producing and disseminating statistical information and providing specific advice and assistance to Aboriginal groups.

In addition to capacity-building projects, initiatives to facilitate improved planning by Aboriginal organizations included:

- working with the LSLIRC to develop a workforce database to provide management and analysis tools for the Council and member First Nations and
- initiating an economic development planning project with the Bigstone Cree Nation.

AAND also co-hosted the *Aboriginal Strategies Conference*, held October 6-8, 2003 in Edmonton. The conference was co-sponsored by Statistics Canada, Western Economic Diversification Canada, Human Resources Development Canada and Alberta Learning. Over 600 people from across Canada attended, representing Aboriginal organizations, communities and service providers, industry, and federal, provincial and municipal governments.

ABORIGINAL INVOLVEMENT IN GOVERNMENT INITIATIVES

AAND assists other Alberta ministries to build relationships with Aboriginal organizations and communities, and to facilitate increased Aboriginal involvement in provincial government initiatives. AAND also participates in initiatives of other departments and agencies, to ensure that Aboriginal issues and perspectives are considered in the development of provincial strategies and programs.

During 2003-04, AAND provided assistance to other provincial ministries by:

- assisting Alberta Environment to conduct an Aboriginal focus group on implementation of *Water For Life*, the provincial water strategy
- participating on the officials committee negotiating the First Nation Development Fund Agreement as part of implementing the First Nations Gaming Policy
- assisting Alberta Community Development to draft repatriation regulations for the Blackfoot Nations, pursuant to the *First Nations Sacred Ceremonial Objects Repatriation Act*. The three Blackfoot First Nations agreed to the draft repatriation regulations during 2003-04
- assisting AHRE and Aboriginal communities to implement AHRE's *First Nations Training to Employment Program*
- providing advice to Alberta's Commission on Learning on Aboriginal education issues
- helping Alberta Revenue to consult with First Nations on changes to tobacco tax
- advising Alberta Children's Services on seeking the views of Aboriginal communities during the province's *Child Welfare Act* review and
- facilitating discussions between the Tsuu T'ina Nation, Alberta Transportation and the City of Calgary toward establishing a southwest bypass across the eastern section of the reserve.

AAND ensured consideration of Aboriginal issues and perspectives in other ministry programs by:

- encouraging Aboriginal participation in the *SummerActive 2003* initiative
- promoting the Personnel Administration Office's Ambassador Program to Aboriginal youth
- contributing Aboriginal and northern information to the *Alberta Recreation Corridors Legislation Review Report to the Minister of Community Development* and
- facilitating inclusion of Aboriginal perspectives in provincial injury control research and strategy development.

The Ministry also supported two Treaty 6, 7 and 8 Elders' gatherings, held September 4-6, 2003, and January 22-23, 2004. These gatherings are opportunities for First Nations Elders and provincial government representatives to discuss issues of mutual concern.

ABORIGINAL CONSULTATION INITIATIVE

The *APF* identifies the need for a "proactive, made-in-Alberta consultation process." Progress on development and implementation of the Provincial Aboriginal Consultation Initiative continued during 2003-04. AAND led seven other Alberta ministries (Community Development, Economic Development, Energy, Environment, Justice, Sustainable Resource Development and Transportation) to develop a cross-ministry structure and define reporting roles for the Consultation Coordinating Group, the Consultation Deputy Ministers Committee and subcommittees related to Traditional Use Studies, Information Management and Communications.

The Ministry led strategy development and training to increase Aboriginal consultation capacity within the Government of Alberta. AAND developed a training reference manual for workshops delivered to other provincial ministries. Thirteen training sessions were held for 458 government staff during 2003-04.

AAND led partnering ministries on development of a provincial policy for consultation with First Nations on land and resource issues. Progress on policy development during 2003-04 included:

- initial discussions with First Nation and industry stakeholders: 188 meetings with First Nations and 32 meetings with industry
- five workshops in October and November 2003 with First Nations, industry and government representatives toward a first draft of principles and guidelines for Aboriginal consultation
- initial drafts—*Policy and Principles and Consultation Guidelines*—distributed to First Nations and industry for comment
- development and distribution of a *What you Told Us* document in December 2003, outlining feedback from First Nations and industry and a workshop with Elders from Treaty 6, 7 and 8, held on March 30, 2004

TRADITIONAL USE STUDIES

The *APF* includes a commitment by Alberta to work with First Nations and industry to facilitate development of best practice guidelines for studies of traditional use of public lands. Last year, AAND collaborated with Alberta Energy, Aboriginal communities and Elders, the federal government and industry to develop and publish the *Best Practices Handbook for Traditional Use Studies*. During 2003-04, AAND distributed 3222 copies of the Handbook.

AAND worked with four other Ministries (Sustainable Resource Development, Energy, Community Development and Environment) on development of mechanisms to manage Alberta's role in preparation of traditional use studies (TUS). A TUS workshop was held on February 5-6, 2004, to share best practices and allow its audience to hear from experts about recording patterns of cultural and historic land use by First Nations communities. Over 240 participants from Alberta First Nations, industry and government ministries attended the workshop.

AAND worked with partnering ministries to support and monitor 29 traditional use studies currently underway across Alberta, including:

- 6 studies initiated last year that are still in progress and being supported and monitored by the province and
- 23 new studies that were initiated this year and are being supported and monitored by the province.

Information-sharing is an important aspect of provincial participation in TUS. The Ministry is continuing work with Aboriginal communities and other TUS partners to develop and execute information-sharing agreements for data obtained from TUS. A data-sharing protocol between Alberta and the Bigstone Cree Nation was developed during 2003-04.

AAND completed a TUS initiative under the Western Economic Partnership Agreement (WEPA) with the federal department of Western Economic Diversification. A *Directory of TUS Resources* was developed and posted on the AAND website on April 2, 2004.

CONCLUSIONS AND CHALLENGES FOR GOAL 1

In 2003-04, AAND increased its facilitation role by creating more opportunities for Aboriginal involvement in government initiatives and by ensuring consideration of Aboriginal perspectives in initiatives undertaken by other government ministries. The Ministry also worked with federal, municipal and Aboriginal partners to increase awareness of urban Aboriginal issues.

To provide strategic and coordinated responses to improve the participation of Aboriginal people in Alberta's social and economic opportunities.

First Nations issues are being addressed through provincial participation in self-government discussions and development of the provincial Aboriginal Consultation Initiative. Capacity-building is becoming increasingly recognized as an essential element in facilitating improved participation of Aboriginal people in Alberta's economy and society.

PERFORMANCE MEASURES FOR GOAL 1

The Ministry's performance measures for Goal 1 are intended to assess the Ministry's success in facilitating implementation of the *APF* across the provincial government and facilitating relationships between provincial ministries and Aboriginal communities, organizations and service providers. Goal 1 Performance Measures for 2003-04 include reporting on the annual cross-ministry targets for the Aboriginal Policy Initiative. Public approval ratings measure the Alberta government's performance in the area of Aboriginal relations. Supplementary Measures from the 2001 Canada Census and Aboriginal Policy Initiative (long-term measures) address the disparities in social and economic circumstances of Aboriginal people in Alberta compared with other Albertans.

Aboriginal Policy Initiative Targets for 2003-04: Annual targets for the cross-ministry Aboriginal Policy Initiative (API) are developed by the Interdepartmental API Committee under the direction of the API Champion and Supporting Deputy Ministers Committee. The information presented below was prepared for publication in *Measuring Up 2003-04*, the Government of Alberta's Annual Report. This information was based on reports submitted to AAND by the ministries or agencies responsible for reporting on the individual targets. The four API objectives for 2003-04 are outlined below, with targets and results achieved for the year.

ABORIGINAL POLICY INITIATIVE

Purpose:
To improve the well-being and self-reliance of Aboriginal people and clarify federal, provincial and Aboriginal roles and responsibilities.

Related Government Business Plan Goals:
Goal #1 - Albertans will be healthy.
Goal #2 - Albertans will be well prepared for lifelong learning and work.
Goal #3 - Alberta's children will be supported in reaching their potential.
Goal #5 - Aboriginal communities in Alberta will be effective and self-reliant.

Ministry Champions:
Aboriginal Affairs and Northern Development, Justice and Children's Services.

Objective: Improve the health status and well-being of Aboriginal people.

TARGET	RESULTS
Implement the approved recommendations of the Aboriginal Tobacco Use Strategy report.	> The recommendations were approved and an Aboriginal Guiding Circle has been established to oversee their implementation. > 25 Aboriginal tobacco prevention and cessation projects were supported across Alberta.
Increase the number of ongoing community-based Aboriginal health projects by 25%.	> 13 new community-based Aboriginal health initiatives, representing a 34% increase, were approved and funded by the Aboriginal Health Strategy Project Fund.
Increase the number of Aboriginal HIV projects by 20%.	> Six of 12 Alberta Community HIV Fund projects were targeted toward Aboriginal people, a 20% increase from last year.
Expand mobile screening for diabetes-related complications to five Métis Settlements.	> The Mobile Diabetes Screening Initiative (MDSI) was expanded to five Métis Settlements (Buffalo Lake, Kikino, Elizabeth, Fishing Lake and Peavine) in March 2004. > Initial screenings in the three remaining Settlements (East Prairie, Gift Lake, Paddle Prairie) are planned for April-June 2004.
Improve the identification of diabetes and reduce complications (blindness, amputations and renal failure) among Registered Indians.	> Work continues with health care partners to improve identification of diabetes, which improves treatment and reduces complications. > The province worked with the federal government to establish a process for updating estimates of diabetes incidence and prevalence. > Data on complications were re-evaluated. Data on blindness does not provide necessary linkages as a diabetes-related complication. > Incidence of diabetes-related complications is as follows: First Nations — General Population Amputations: 1.1% — 0.3% Renal Failure: 2.0% — 1.4%
Hire five Aboriginal Liaison Officers to promote the principles of *FireSmart* and undertake fuel hazard assessment and reduction projects in 15 Aboriginal communities by 2004.	> This is a two-year project to work with Aboriginal communities to reduce forest fire hazards and improve Aboriginal participation in forest fire safety programs. > During the 2003 fire season (April-October), three of five Aboriginal Liaison Officer positions were filled and fuel hazard assessment and reduction projects were initiated in eight Aboriginal communities.

ABORIGINAL POLICY INITIATIVE

Purpose:
To improve the well-being and self-reliance of Aboriginal people and clarify federal, provincial and Aboriginal roles and responsibilities.

Related Government Business Plan Goals:
Goal #1 - Albertans will be healthy.
Goal #2 - Albertans will be well prepared for lifelong learning and work.
Goal #3 - Alberta's children will be supported in reaching their potential.
Goal #5 - Aboriginal communities in Alberta will be effective and self-reliant.

Ministry Champions:
Aboriginal Affairs and Northern Development, Justice and Children's Services.

Objective: Improve the health status and well-being of Aboriginal people.

TARGET	RESULTS
Implement the approved recommendations of the Aboriginal Health Strategy Report.	The recommendations were approved and an Aboriginal Steering Circle has been established to oversee their implementation. 75 Aboriginal Health prevention and promotion projects were supported across Alberta.
Increase the number of ongoing community based Aboriginal health projects by 25%.	33 new community-based Aboriginal health initiatives, representing a 34% increase, were approved and funded by the Aboriginal Health Strategy Project Fund.
Increase the number of Aboriginal HIV projects by 20%.	Six of 12 Alberta Community HIV Fund projects were targeted toward Aboriginal people, a 20% increase from last year.
Expand mobile screening for diabetes related complications to five Métis Settlements.	The Mobile Diabetes Screening Initiative (MDSI) was expanded to five Métis Settlements (Buffalo Lake, Kikino, Elizabeth, Fishing Lake and Peavine) in March 2004. Initial screenings in the three remaining Settlements (East Prairie, Gift Lake, Paddle Prairie) are planned for April-June 2004.
Improve the identification of diabetes and vascular complications (retinopathy, amputations and renal failure) among Registered Indians.	Work continues with Health Care partners to improve identification of diabetes, which improves treatment and reduces complications. The province worked with the federal government to establish a process for updating estimates of diabetes incidence and prevalence. Data on complications were re-evaluated. Data on Diabetes does not provide necessary linkages as a diabetes related complication. Incidence of diabetes related complications is as follows:

	First Nations	General Population
Amputations	1.6%	0.3%
Renal Failure	2.0%	1.4%

Hire five Aboriginal Liaison Officers to promote the principles of *FireSmart* and undertake fuel hazard assessment and reduction projects in 15 Aboriginal communities by 2004.	This is a two-year project to work with Aboriginal communities to reduce forest fire hazards and improve Aboriginal participation in forest fire safety programs. During the 2003 fire season (April-October), three of five Aboriginal Liaison Officer positions were filled and fuel hazard assessment and reduction projects were initiated in eight Aboriginal communities.

Objective: Support life-long learning opportunities for Aboriginal people and promote appreciation of Aboriginal cultures.

TARGET	RESULTS
Increase the number of Aboriginal students attending selected post-secondary institutions by 2%.	> Final results are available for the 2000-01 and 2001-02 school years (September-August). > 24 post-secondary institutions reported Aboriginal student enrolments of 2,252 in 2000-01 and 3,617 in 2001-02; this is an increase of 1,365 Aboriginal students. > Data for the 2002-03 school year is incomplete: 15 institutions have reported 1,161 students enrolled (complete data available October 2004). > Differences in methodology between years and between institutions highlight the need for a province-wide system to identify Aboriginal students (see Aboriginal Learner Data Collection Initiative described below).
Increase the percentage of Aboriginal students attending Alberta school jurisdictions achieving the Acceptable Standard on Grade 3, 6, and 9 Achievement Tests by 1%.	> Provincial Achievement Test results for tuition fee students (students with Registered Indian Status attending Alberta school jurisdictions under tuition agreements) indicate that 49.6% of Aboriginal students achieved the Acceptable Standard in 2002-03, a 1.8% improvement over the previous three-year moving average of 47.8% (for 1999-00 to 2001-02). > These results are based on a small sample of Aboriginal students and variations in test results from year to year may be partially due to small sample size. Results do not represent all Aboriginal students attending Alberta public schools.
Complete Aboriginal community consultations to develop a voluntary declaration of Aboriginal ancestry on K-12 and post-secondary registrations.	> Aboriginal and education stakeholders were informed of the Aboriginal Learner Data Collection Initiative. > For the 2003-04 school year, some school jurisdictions added a voluntary Aboriginal self-identification question to public school registration forms; this will be a requirement at all public schools for the 2004-05 school year.
Develop Aboriginal learning-teaching resources for Special Education and Aboriginal Studies 10/20/30.	> Edmonton Catholic Schools is incorporating Aboriginal content and perspectives into special education resources. *Unlocking Potential: Key Components of Programming for Students with Learning Disabilities* will be complete by August 2004. > Aboriginal Studies 10/20/30 has been implemented in provincial schools. A list of authorized resources has been completed and is available to teachers. > The Aboriginal Studies 10-20-30 *Guide to Implementation* and three basic student resources will be complete by spring 2004.

TARGET	RESULTS
Collect final year of baseline data on appreciation of Aboriginal culture at select Alberta parks and cultural facilities.	➢ Visitors to two Provincial Parks were asked to rate the success of Park interpretive programs in promoting appreciation of Aboriginal history and culture. Unaudited results (sample size 200) show "Excellent" or "Good" ratings of 99% for Writing On-Stone and 61% for Cypress Hills. ➢ Visitors to six provincially owned heritage facilities (Father Lacombe Chapel, Victoria Settlement, Head-Smashed-In Buffalo Jump, Provincial Museum of Alberta, Fort George and Buckingham House, Historic Dunvegan) were asked to rate the understanding they gained about Aboriginal history and culture. Unaudited results (sample size 1,308) show "Excellent" or "Good" ratings ranging from 79-96%. ➢ Survey data will be used to further promote the appreciation of Aboriginal culture and history at provincial parks, protected areas and cultural/historical facilities.
Establish five new Aboriginal student crews as part of the current Junior Forest Ranger program by 2004.	➢ During the 2003 fire season (April-October), three Aboriginal student crews, each with 7-12 members, were established as part of a two-year initiative to encourage increased participation of Aboriginal youth in the provincial Junior Forest Ranger program.

Objective: Support life-long learning opportunities for Aboriginal people and promote appreciation of Aboriginal cultures

TARGET	RESULTS

TARGET	RESULTS

Objective: Increase the participation of Aboriginal people in the Alberta economy.

TARGET	RESULTS
In partnership with the private sector and Aboriginal organizations, develop 10 new First Nations and/or Metis training-to-employment projects to prepare 150 Aboriginal people for participation in the Alberta economy.	> 18 projects were approved under the First Nations *Training to Employment Program*, involving 185 First Nation and Metis trainees. > These results do not include projects approved prior to April 1, 2003 that involved some training during 2003-04.
Establish a benchmark data profile from the Aboriginal-specific Statistics Canada-Alberta Labour Force Survey Pilot Project.	> The pilot project was the first of its kind in Canada, with 1,250 additional households added to the monthly Labour Force Survey sample. Monthly labour force activity profiles, by gender and component group (North American Indian and Metis), have been available since May 2003.
Initiate three additional capacity-building pilot projects with Aboriginal communities and other partners.	> Five new capacity-building pilot projects were initiated: an Information Communication Technology (ICT) Forum with the Lesser Slave Lake Indian Regional Council; a Governance Modernization Initiative with the Metis Nation of Alberta Association (MNAA); an Economic Capacity project with the Paul First Nation; an Economic Capacity Building Project with the MNAA Zone 3 (South); and an Economic Capacity Building Project with the MNAA Zone 6 (Northwest).
Initiate pilots for the Youth Apprenticeship Learning Opportunities Project (YAP) in three communities by March 2004.	> Local Advisory Committees have been established in the communities of Wabasca/Desmarais, Lac La Biche and High Prairie to determine priorities and develop strategies to promote the YAP.

Objective: Clarify federal/provincial/Aboriginal roles and responsibilities.

TARGET	RESULTS
Initiate planning activities with 42 First Nation communities identified as potential SuperNet communities.	> Initial discussions were held with all 42 First Nations communities that have provincial learning institutions or health facilities.
SuperNet implementation in all communities requesting service and scheduled for implementation in 2003-2004.	> SuperNet construction is underway province-wide. > Construction on First Nations lands will commence once appropriate approvals have been obtained. > The province worked with the federal government to streamline permit processes and with First Nations to obtain appropriate Band Council Resolutions.
Develop principles for an Aboriginal policy checklist to review existing/future policies to ensure they address needs, legal requirements and Aboriginal agreements. Checklist to be developed for implementation in selected ministries in 2005.	> 11 provincial ministries collaborated to oversee development of a draft Aboriginal Policy Checklist which was reviewed by Deputy Ministers in November 2003 and will be tested in selected ministries in 2004-05.
Develop a pilot project to define the respective accountabilities between Alberta Children's Services, Indian and Northern Affairs Canada (Alberta Region) and Delegated First Nations Agencies regarding First Nations Child Welfare agreements.	> Alberta ministries, the federal government and First Nation communities worked together to re-negotiate three tripartite Child Welfare Agreements, introduce a Task Force on control and accountability for First Nation recoveries processes, and review the *Arrangement for the Funding and Administration of the Social Services Agreement* (Administrative Reform Agreement) between Alberta and Canada.

Government Performance Regarding Aboriginal Affairs: Public approval ratings are based on public polling data regarding the satisfaction level of Albertans with the way their government is performing in the area of Aboriginal Affairs. The Ministry plays an important role in assisting other ministries in their development of Aboriginal initiatives and in assisting the government as a whole to address its Aboriginal Goal (Government Business Plan Goal 5).

Polling data is based on a national opinion poll conducted four times a year by Environics Canada, surveying provincial and federal government performance, as reported in the *Focus Canada* reports. Environics completes telephone interviews of approximately 2,000 adult Canadians on a quarterly basis. For example, Environics interviewed 2,002 adult Canadians between December 11 and 29,

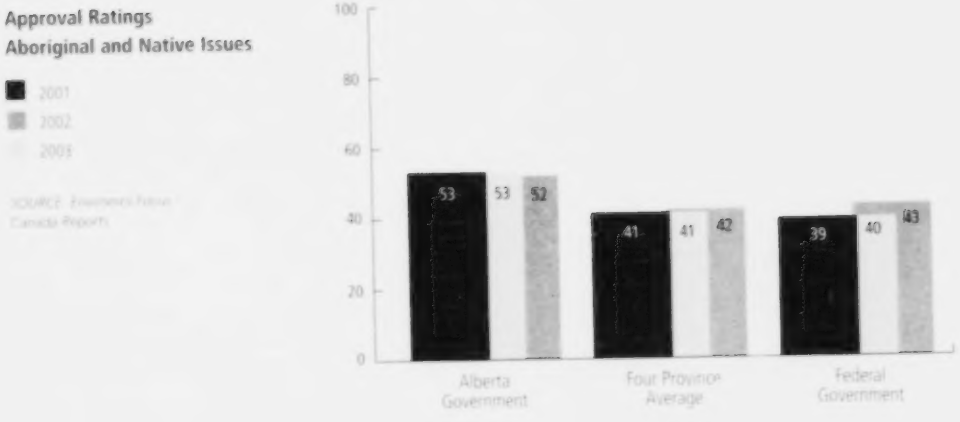
2003 (reported in the fourth quarter *Focus Canada* report). The margin of error for the entire sample was +/- 2.2%, 19 times out of 20. A total of 205 interviews were conducted in Alberta and 692 in western Canada. The margin of error for Alberta was +/- 6.8%, and for western Canada, +/- 3.7%.

Respondents are specifically asked to indicate their approval or disapproval of the way their governments (both provincial and federal) are performing in the area of Aboriginal and Native Issues. The approval ratings from the four surveys each year are averaged to indicate the percentage of citizens approving of their respective government's performance.

The Ministry's target is to maintain Alberta's Aboriginal Affairs public approval rating at a level that exceeds the average for British Columbia, Saskatchewan, Manitoba and Ontario. These provinces are similar to Alberta in terms of geography, history, economic base, social patterns and Aboriginal populations.

In 2003, Alberta's Aboriginal relations approval rating was 52%, which exceeded the four-province average of 42% and a federal government approval rating of 43% (see graph below). Alberta's approval rating on Aboriginal relations has remained relatively constant since 2001.

Approval Ratings
Aboriginal and Native Issues



SOURCE: Environics Focus Canada Reports

SUPPLEMENTARY MEASURES

Aboriginal-specific data from the Canada Census provides valuable information on the social and economic conditions of Aboriginal people in Alberta. Data from the 2001 Canada Census are now available and are summarized below. Data on Aboriginal employment and educational attainment are reported under the section on Aboriginal Policy Initiative Long-Term Measures, 2000-10.

Census data used in this report is from the 1996 and 2001 Canada Censuses, Custom 2B profiles, prepared by Statistics Canada for AAND. "Aboriginal" includes all Census respondents who identified their ancestry as "North American Indian," "Métis" or "Inuit." The Custom 2B Target Group profiles are prepared specifically for AAND and are not publicly available from Statistics Canada.

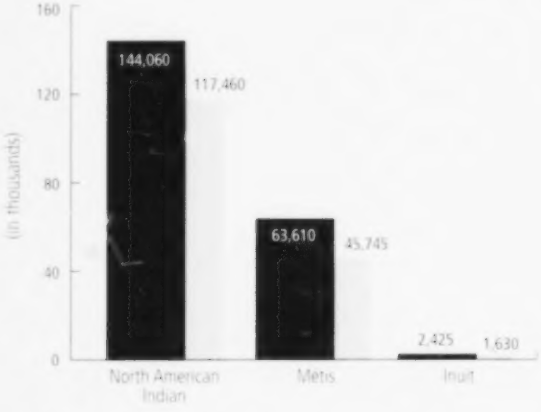
Aboriginal Population of Alberta, 2001

Aboriginal

Non-Aboriginal

SOURCE: Statistics Canada, 2001 Census of Canada

Aboriginal Population of Alberta: In 2001, the Aboriginal population of Alberta was 199,015, comprising 6.7% of the total provincial population. This is an increase from 1996, when Aboriginal people comprised 6% of the total Alberta population.



Aboriginal Component Groups

2001

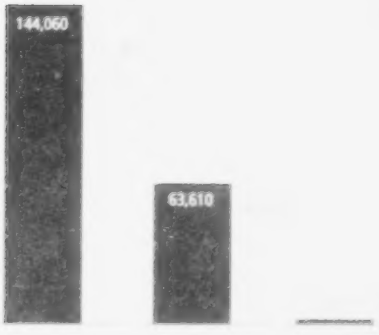
1996

SOURCE: Statistics Canada, 1996 and 2001 Censuses of Canada

Component Groups: In 2001, the Aboriginal population of Alberta was comprised of North American Indians (69%), Métis (30%) and Inuit (1%). Approximately 11,080 Alberta respondents in the 2001 Canada Census identified more than one type of Aboriginal ancestry.

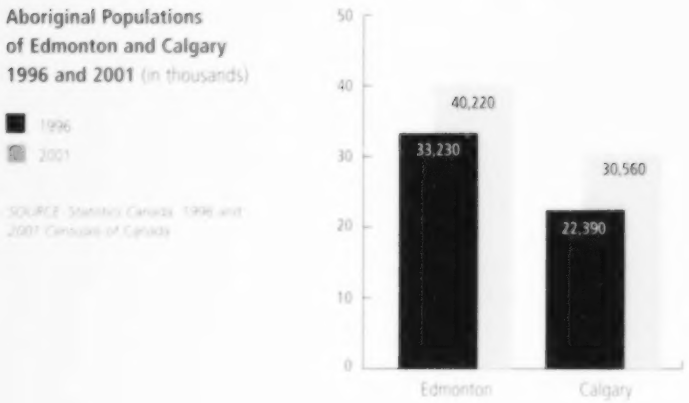
Approval Ratings
Aboriginal and Native Issues

Aboriginal Population
of Alberta: 2001



Aboriginal Component Groups

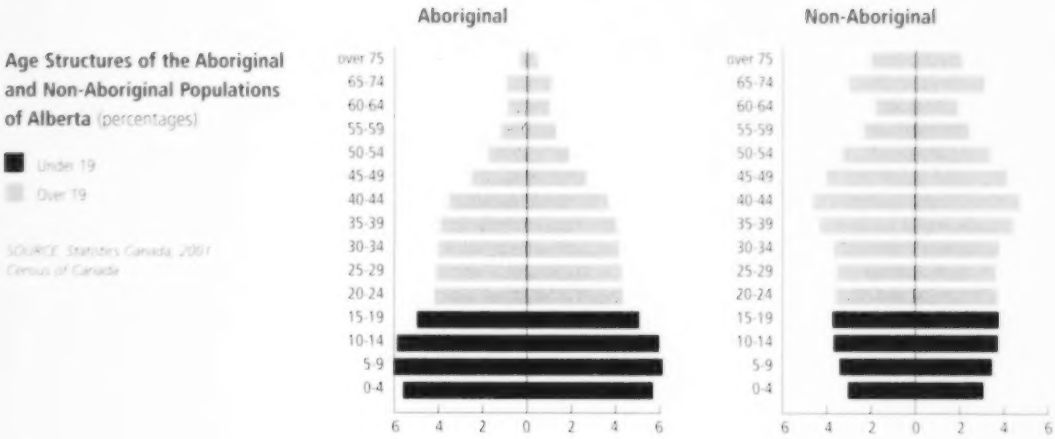
Aboriginal Populations of Edmonton and Calgary 1996 and 2001 (in thousands)



SOURCE: Statistics Canada, 1996 and 2001 Censuses of Canada

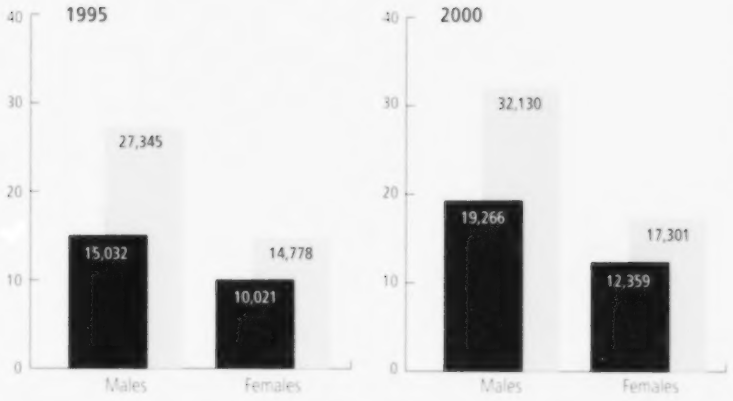
Urban Aboriginal Populations: In 2001, 70,780 Aboriginal people resided in the cities of Edmonton and Calgary—36% of the total provincial Aboriginal population. The combined Aboriginal populations of Alberta's two major cities increased by 27% (from 55,620 to 70,780) between 1996 and 2001.

Age Structures of the Aboriginal and Non-Aboriginal Populations of Alberta (percentages)



SOURCE: Statistics Canada, 2001 Census of Canada

Age Structure: The Aboriginal population continues to be younger than the non-Aboriginal population. In 2001, 44.3% of the Aboriginal population in Alberta was 19 years of age or younger, compared with 27.5% of the non-Aboriginal population.



Median Incomes of Aboriginal and Non-Aboriginal Males and Females, 1995 and 2000
(in thousands of dollars)

Aboriginal
Non-Aboriginal

SOURCE: Statistics Canada, 1996 and 2001 Censuses of Canada

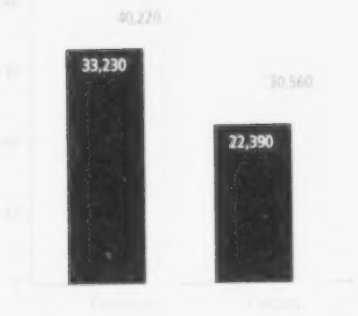
Median Income: The median income for Aboriginal males in 2000 was 64% of that for non-Aboriginal males, an increase from 55% in 1995. Aboriginal females also earned less than non-Aboriginal females. In 2000, the median income for Aboriginal females in Alberta was 74% of that for non-Aboriginal females, an increase from 68% in 1995. These data suggest that longstanding income disparities between Aboriginal people and other Albertans are decreasing.

Aboriginal Policy Initiative Long-Term Measures, 2000-10: The Aboriginal Policy Initiative 2003-04 included 10-year targets, intended to measure long-term progress across government in addressing disparities in health status, education and participation in the economy between Aboriginal people and non-Aboriginal people in Alberta.

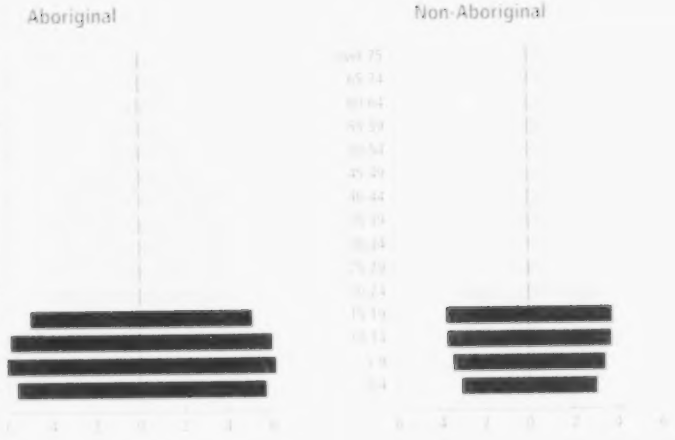
Methodology: Data on life expectancy for Registered Indians is calculated and published by Indian and Northern Affairs Canada (INAC). This data is only available on a national basis. "Life expectancy" means expected years of life of a person born in the current year (assuming current conditions do not change). "Registered Indians" are persons with status within the meaning of the *Indian Act*, whose names appear on the Indian Register maintained by INAC.

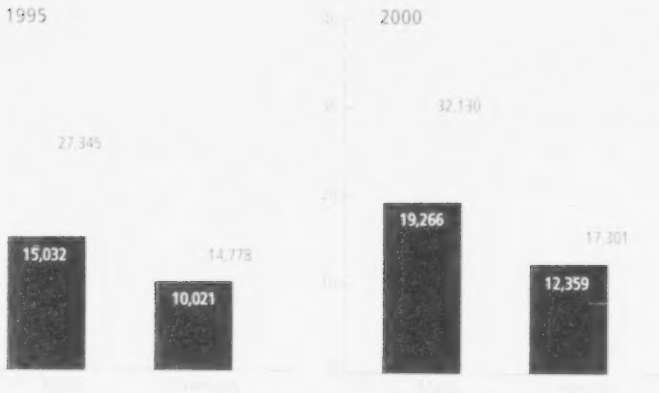
Data on educational attainment rates and employment is taken from the 1991, 1996 and 2001 Canada Censuses, Custom 2B profiles prepared by Statistics Canada for AAND. Educational attainment data is based on a series of questions asking respondents to identify the highest level of education they have completed. Percentages reported with "high school completion" include anyone who completed high school or a higher level of education (e.g., some post-secondary, post-secondary completion). Percentages reported with "post-

Aboriginal Populations
of Edmonton and Calgary
1996 and 2001



Age Structures of the Aboriginal
and Non-Aboriginal Populations
of Alberta



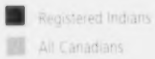


Median Incomes of Aboriginal and Non-Aboriginal Males and Females, 1995 and 2000

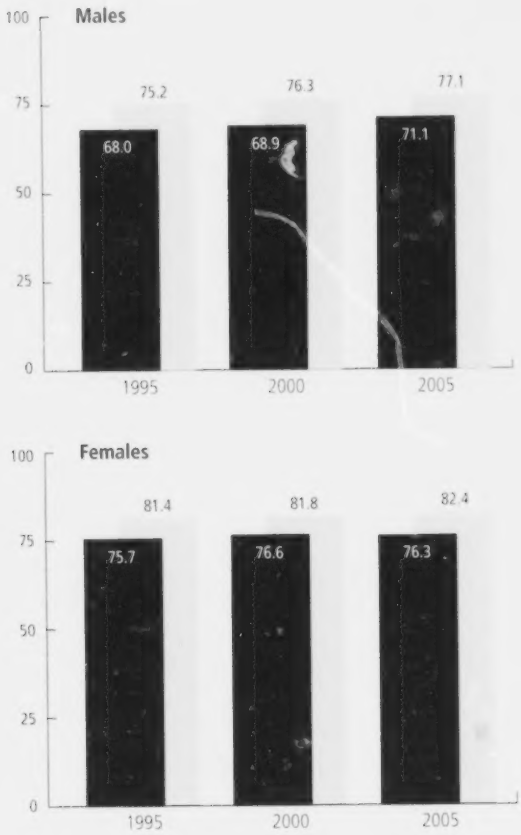
secondary completion" include anyone with a trade certificate, post-secondary diploma or degree, but exclude those with some post-secondary education but no credentials.

Employment rate is the total working age population (aged 15 years and over) that is employed, divided by the total number of people of working age, expressed as a percentage.

Projected Life Expectancy of Registered Indians and all Canadians, 1995-2005 (years)



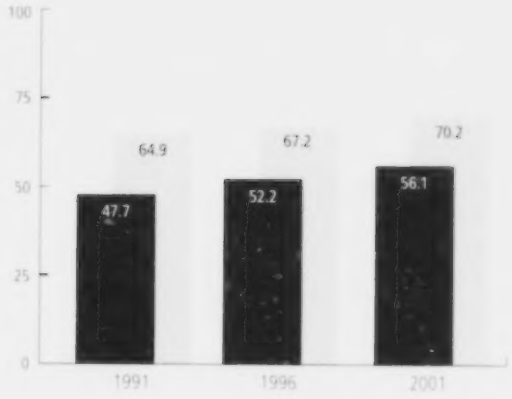
SOURCE: INAC, Basic Departmental Data 2002; First Nations and Northern Statistics Section, Information Management Branch, Department of Indian Affairs and Northern Development



Life Expectancy: The API 10-year target is: "By 2010, reduce by one year the difference in life expectancy between Registered Indians in Alberta and all Albertans."

Indian Register data from INAC indicate that life expectancy estimates for Registered Indians are increasing (especially for males); however, so are estimates for other Canadians. Thus, differences persist in projected life expectancies of Registered Indians compared to other Canadians.

For males, the difference in projected life expectancy increased in 2000 but is expected to decrease by 2005 (projected difference of 6.0 years by 2005). For females, the difference in projected life expectancy decreased in 2000 but is expected to increase by 2005 (projected difference of 6.1 years by 2005).



High School Completion Rates for Aboriginal and Non-Aboriginal People in Alberta 1991-2001

Aboriginal

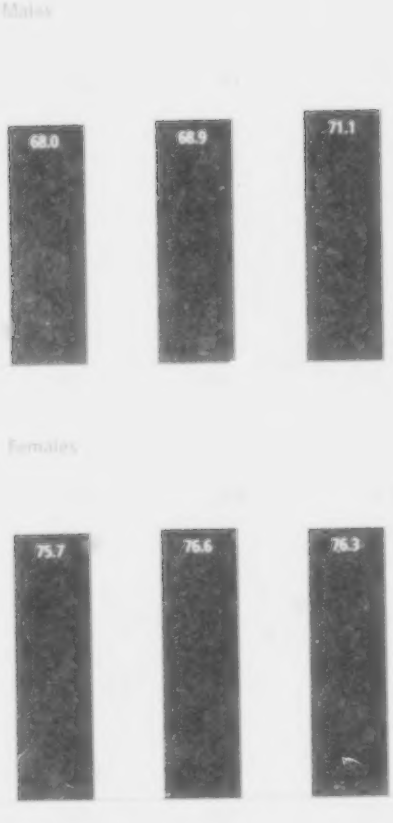
Non-Aboriginal

SOURCE: Statistics Canada, 1991, 1996 and 2001 Censuses of Canada.

Educational Attainment. The API 10-year target is: "By 2010, the percentage of Aboriginal learners 15 years of age or older with high school completion will be 60% and 30% with post-secondary completion."

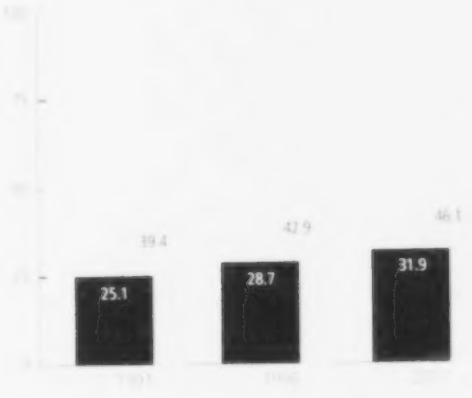
Data from the 2001 census indicate improvements in high school completion and a reduction in the difference between Aboriginal and non-Aboriginal completion rates (the difference has decreased from 17.2% in 1991 to 14.1% in 2001). High school completion rates for Aboriginal people in Alberta are currently less than 4% below the API 10-year target of 60%.

Projected Life Expectancy of Registered Indians and all Canadians, 1975-2005

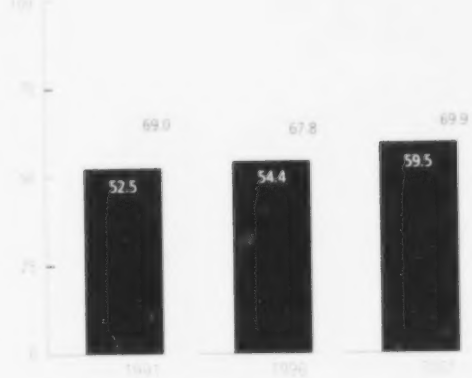


High School Completion Rates for Aboriginal and Non-Aboriginal People in Alberta 1991-2001

Post-Secondary Completion Rates for Aboriginal and Non-Aboriginal People in Alberta 1991-2001



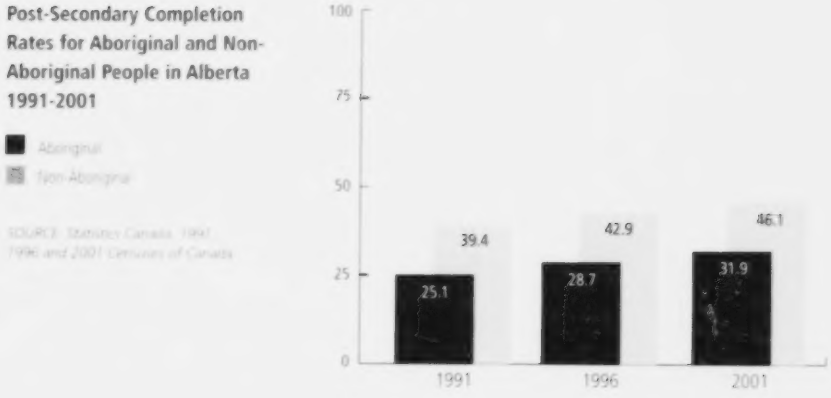
Employment Rates for Aboriginal and Non-Aboriginal People in Alberta, 1991-2001



Employment The API 10-year target is: "By 2010, the difference in employment rates of Aboriginal Albertans and other Albertans will be less than 10 percentage points." Disparities continue between the employment rates of Aboriginal and non-Aboriginal people in Alberta, however, data from the 2001 Canada Census show substantial improvements.

In 2001, the difference in employment rates between Aboriginal and non-Aboriginal people in Alberta was 10.4% (a substantial improvement from 17% in 1991). The 10-year API target is to reduce this difference to less than 10%. One key to achieving this target will be to focus on improving educational completion rates.

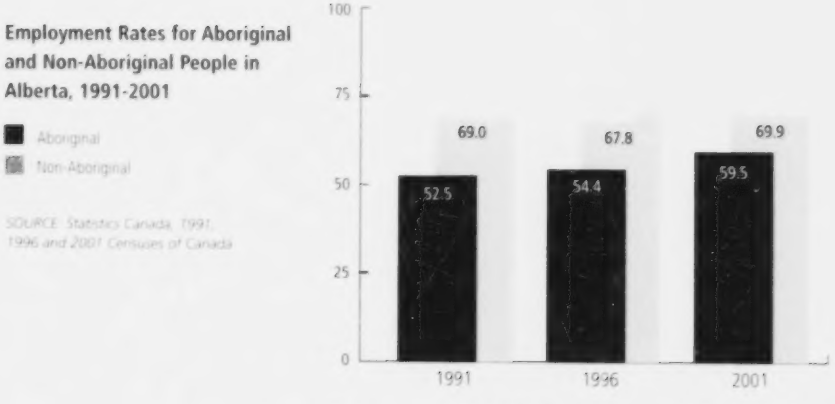
Post-Secondary Completion Rates for Aboriginal and Non-Aboriginal People in Alberta 1991-2001



SOURCE: Statistics Canada, 1991, 1996 and 2001 Censuses of Canada

Post-secondary completion rates for Aboriginal people increased by 6.8 percentage points between 1991 and 2001. The difference between Aboriginal and non-Aboriginal completion rates remained relatively stable. Post-secondary completion rates are currently almost 2 percentage points above the API 10-year target of 30%.

Employment Rates for Aboriginal and Non-Aboriginal People in Alberta, 1991-2001



SOURCE: Statistics Canada, 1991, 1996 and 2001 Censuses of Canada

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Goal 2: Métis Settlements

To promote self-reliant and self-regulating Métis Settlement governments.

INTRODUCTION

In 1989, Alberta and the Federation of Métis Settlement Associations (later called the Métis Settlements General Council) signed the Métis Settlements Accord. The Accord, which included draft legislation, was an expression of political intent to "achieve the aspirations of the Métis Settlements to secure a land base for future generations, to gain local autonomy in their own affairs, and to achieve economic self-sufficiency."

On November 1, 1990, Alberta enacted legislation establishing a unique form of local government on the Métis Settlements. The Métis Settlements legislation *(Métis Settlements Act; Métis Settlements Land Protection Act; Constitution of Alberta Amendment Act, 1990; and Métis Settlements Accord Implementation Act)* establishes the only Métis land base and the only legislated Métis government in Canada. It establishes the statutory responsibilities and powers of the provincial government and the Métis Settlement governing institutions.

Each of the eight Métis Settlements is governed by a five-person Council, elected by the membership. Councils determine membership, land allocation, and enact Settlement by-laws. The Métis Settlements General Council (MSGC), consisting of elected Councillors from all eight Settlements and a four-person elected executive, deals with matters that affect the collective interests of all eight Settlements, including holding the fee simple title to 1.25 million acres of land, enacting collective laws (policies) and administering a Co-Management Agreement respecting sub-surface minerals.

AAND administers the Métis Settlements legislation on behalf of the province and works with the MSGC on capacity-building and governance initiatives. Ministry activities for 2003-04 focused on administration of the legislation, including statutory funding arrangements; amendments to the Métis Settlements legislation; and strategic initiatives with the MSGC, including community infrastructure plans, a land survey plan and a training needs assessment project.

ADMINISTERING MÉTIS SETTLEMENTS LEGISLATION

AAND undertook initiatives intended to fulfill provincial responsibilities related to administration of the Métis Settlements legislation and associated agreements. The Comprehensive Review Process was established last year with the MSGC as a forum for government-to-government discussions. This is a joint initiative

between the Ministry and the MSGC to assess overall progress since the Métis Settlements Accord in 1990 and to determine what is required to prepare for 2007, when provincial statutory funding to Métis Settlements ceases.

The Ministry and the MSGC concluded further amendments to the *Matching Grants Replacement Agreement*, setting out the respective contributions of the provincial government and the Settlements toward the costs of local governments. To encourage economic self-reliance, reduced contributions from the provincial government are intended to be offset by increases in Métis Settlement self-generated revenues.

AAND assumed administrative responsibility for the Métis Settlements Land Registry during 2002-03, following dissolution of the Métis Settlements Transition Commission (MSTC). The Ministry conducted a review of the Land Registry during 2003-04 and developed recommendations for upgrades to the Registry's technology infrastructure to facilitate development and implementation of business resumption plans.

AMENDMENTS TO THE MÉTIS SETTLEMENTS LEGISLATION

During 2003-04, the Ministry developed amendments to the *Métis Settlements Act*, intended to improve governance, decision-making and accountability. The amendments include:

- improved decision-making by changing the voting requirement on approval of laws from a unanimous vote (eight of eight Settlements) to a 75% majority vote (six of eight Settlements)
- improving electoral stability through elections every three years for all five Council positions instead of an annual staggered election system
- providing a statutory base for the Métis Settlements Ombudsman (MSO) and
- expanding the jurisdiction of the Métis Settlements Appeal Tribunal (MSAT).

Expanding the jurisdiction of MSAT is based on the 1999 recommendations of a Task Force chaired by Denis Ducharme, MLA for Cold Lake-Bonnyville, and includes a more independent appointment process, jurisdiction over election disputes and the ability to make decisions on the basis of reports from the MSO.

In preparation for the introduction of legislative amendments, the Ministry participated in community meetings on all eight Settlements and worked with MSAT to develop procedures to address anticipated changes to MSAT's role. Bill 30, the *Métis Settlements Amendment Act*, was introduced in the Legislative Assembly of Alberta on April 1, 2004.

CAPACITY-BUILDING

Capacity-building is essential to self-reliance and is a component of many initiatives undertaken by the Ministry and the MSGC. Business planning and performance measurement functions were transferred to the MSGC during 2002-03, following dissolution of the MSTC. The Ministry and the MSCG reviewed the Métis Settlements Business Planning and Performance Measurement Agreement during 2003-04 to evaluate the transfer of those functions and develop recommendations for improvements. The review concluded that the MSGC has successfully administered this function.

The Ministry also worked with the MSGC on the following capacity-building initiatives during 2003-04:

- a Training Needs Assessment Project, to assist the Settlement Councils and the MSGC in assessing their capacity to deliver local governance and develop training programs for efficient and effective administration
- development of Community Infrastructure Plans for all eight Settlements, to facilitate long-term planning for water, sewer and other municipal infrastructure (see Performance Measures below) and
- a Land Survey Plan to identify outstanding survey requirements and develop a strategy to complete required surveying of Settlement lands.

CONCLUSIONS AND CHALLENGES FOR GOAL 2

To promote self-reliant and self-regulating Métis Settlement governments.

The Ministry continues to work to fulfill provincial responsibilities under the Métis Settlements legislation and assist the Settlements in planning for post-2007, when provincial statutory funding to Métis Settlements is scheduled to cease. Amendments to the Métis Settlements legislation are expected early in 2004-05. These amendments are anticipated to result in more efficient and effective governance and administrative processes.

PERFORMANCE MEASURES FOR GOAL 2

The Ministry's Goal 2 performance measures for 2003-04 are intended to indicate progress toward self-reliance, accountability and self-regulation.

Increase in Métis Settlement Self-Generated Revenue: This measure is intended to document the level of revenue generated by Settlements that could be used to support the cost of local governments. Increases in Métis Settlement self-generated revenues will be necessary to offset reduced contributions from government when provincial statutory funding ends in 2007. This measure is also an indication of economic self-reliance. Industrial taxation, user fees and levies were chosen as the baseline for self-generated revenue because these

constitute the standard mechanism by which local governments raise revenue, namely through taxes. The eight Metis Settlements provided these numbers at the request of the Ministry.

The total amount of revenue generated by all eight Settlements from industrial taxation, user fees and levies for the year ending March 31, 2002 was $3,731,349. For the year ending March 31, 2003, that amount totalled $3,845,668, for an increase of 3.1%, which exceeded the Ministry target of 2%.

Inclusion of Performance Indicators in Settlement Business Plans: The Metis Settlements assumed sole responsibility for developing business plans with corresponding budgets in 2002-03. Individual Settlements are required to submit business plans, with performance indicators, to the MSGC. The MSGC reviews individual Settlement business plans and allocates performance-related funding based on this review. During 2003-04, all eight Settlements submitted business plans, including performance indicators, to the MSGC—an improvement over the previous year when seven Settlements submitted business plans to the MSGC.

Infrastructure Development on Métis Settlements: The MSGC, with assistance from AAND, engaged an engineering firm to prepare a Master Plan and assessments for the Settlements. These documents, which serve to establish baseline data for future infrastructure planning, provide the MSGC with an overview of Settlement infrastructure needs and will assist the MSGC, in consultation with the Settlements, to make timely decisions on urgent projects, funding allocations and prioritization of needs.

The report from the 2003-04 assessments includes recommendations to bring existing facilities to current standards, improvements to meet future needs, and expansion of additional facilities lacking in capacity. A phasing or staging plan is included in each Master Plan to assist Settlements and the MSGC in proceeding with recommended development, including summarized cost estimate tables (in 2003 dollars) and five-year capital plan tables.

Goal 3: Land Claims and Other Claims Involving the Province

To facilitate the resolution of land claims and other claims by Aboriginal people concerning the province.

INTRODUCTION

Under the *Natural Resources Transfer Agreement*, Alberta received constitutional authority for the administration and control of Crown lands and resources. The province also agreed to transfer unoccupied land and minerals to Canada as required to assist the federal government in meeting its treaty obligations for Indian reserves. Alberta is committed to fulfilling its constitutional obligations in this regard, and has done so in 12 treaty land entitlement settlements since 1986. These settlements provide First Nations with resources to increase their participation in the Alberta economy and reduce uncertainty for industry and government with regard to development of the province's natural resources.

In addition to land claims, Aboriginal people may make other claims concerning the province. Alberta prefers negotiation to litigation and uses litigation as a last resort, in the event that negotiation and other avenues toward settlement are unsuccessful.

LAND CLAIMS

AAND coordinates Alberta participation in land claims negotiations between Canada and First Nations and ensures that the obligations of the province are met. The number of claims resolved varies each year, as each claim typically involves a complex process requiring in-depth research, negotiations and implementation that satisfies the interests of all parties.

During 2003-04, settlement was reached on the Fort McKay Treaty Land Entitlement (TLE) claim. Both an agreement-in-principle and a final agreement were concluded during the year. The settlement was approved by the Fort McKay First Nation in a Band referendum in October 2003 and by Alberta Ministers in November 2003. The settlement was executed by Canada on March 31, 2004.

Progress was made on implementation of two Settlement agreements: the Loon River TLE Settlement (settled in 1999-2000) and Smith's Landing TLE Settlement (settled in 2002-03).

Active negotiations continued on the Bigstone TLE claim. Negotiators for the communities, Alberta and Canada executed a protocol agreement, setting a framework for future negotiations. The Ministry also completed research on six potential TLE claims during 2003-04.

OTHER CLAIMS CONCERNING THE PROVINCE

Implementation of the *Piikani/Canada/Alberta Settlement Agreement* (signed in 2002-03) continued during 2003-04. AAND and Alberta Environment fulfilled Alberta's commitments pursuant to the agreement. The three parties established the Settlement Agreement Committee according to the agreement. The Committee primarily oversees preparation of the Follow-up Environmental Impact Assessment on the impact of the Oldman River Dam, which is scheduled for completion in 2006.

The Ministry continued to support implementation of the *Alberta-Siksika Protocol Agreement* (signed in 2001-02). AAND led the provincial negotiation team in discussions with the Siksika Nation and Canada on issues related to the Bassano Dam.

Agreement was also reached with the Athabasca Chipewyan First Nation and Canada on a proposed land exchange, pursuant to an agreement-in-principle reached in 2002-03. The First Nation approved the agreement via a band referendum held in the summer of 2003. A bi-lateral agreement between Canada and Alberta is expected in 2004-05.

To facilitate the resolution of land claims and other claims by Aboriginal people concerning the province.

CONCLUSIONS AND CHALLENGES FOR GOAL 3

During 2003-04, AAND made continued progress toward settlement of land claims in a manner that promotes certainty and is fair and equitable to all parties. The Ministry also worked with Alberta Justice and outside counsel to facilitate provincial participation in six major court cases.

OUTCOMES FOR GOAL 3

The number of land claims and other claims resolved is largely dependent on factors external to the Ministry. The Ministry therefore has not developed performance measures for this Goal. Instead, outcomes describe results relating to fair and equitable settlement of claims and resolution of Aboriginal litigation.

Settlement of Land Claims in a Fair and Equitable Manner: During land claims negotiations, AAND takes steps to protect the interests of other provincial ministries, third parties and other stakeholders. During 2003-04, the Ministry

- addressed the interests of third-party Metallic and Industrial Permits affected by the Athabasca Chipewyan First Nation land exchange agreement and
- met with third parties affected by settlement of the Fort McKay TLE claim.

The Ministry also continued to address concerns of third parties who could be affected by potential or future land claim settlements.

Resolution of Aboriginal Litigation: During 2003-04, AAND worked with Alberta Justice on case management, including litigation research, monitoring of Supreme Court of Canada interventions and reporting of consultation-related litigation. The Ministry also worked with other Alberta ministries and other jurisdictions on a policy response to Supreme Court decisions related to Métis hunting.

Goal 4: Northern Development

To advance the development of Northern Alberta.

INTRODUCTION

The Ministry works with other ministries to develop, coordinate and implement strategies to advance economic and social opportunities in Northern Alberta.

The Northern Alberta Development Council (NADC) is one vehicle used to address northern issues; it is a council of and for northerners that identifies and implements measures to advance northern development and advises government on opportunities and issues. The NADC works in partnership with the private sector, northern municipalities and communities, economic development agencies, educational institutions, Aboriginal groups and government ministries to help achieve AAND's northern development goal.

Members of the NADC represent all areas of northern Alberta and have a strong commitment to advancing the north. The Council's engagement activities provide opportunities for Northern Albertans to express their views and address key opportunities and challenges.

ENGAGEMENT WITH NORTHERN ALBERTANS

The Ministry continues to work with northern stakeholders. The Ministry, through the NADC, held Leaders' Roundtable meetings in Manning, Bonnyville, Fox Creek and Athabasca/Boyle. The NADC maintains regular contact with all northern Members of the Legislative Assembly (MLAs) and held a formal meeting with northern MLAs in November 2003. The *Challenge North* conference, held in Fort McMurray in April 2003, was a major opportunity to gather input from northern stakeholders. At *Challenge North* 2003, 224 northern community leaders, representatives of industry, service providers and government discussed key northern development challenges. Results from *Challenge North* 2003 are included in the section on Performance Measures for Goal 4 (on page 58).

Two Opportunities Seminars were held in 2003-04. The Grande Cache Opportunities Seminar (February 19-20, 2004) focused on resource development, tourism and Aboriginal issues, while the High Level Opportunities Seminar (March 11-12, 2004) highlighted transportation issues and co-operation between northern Alberta and the Northwest Territories (NWT).

DIVERSIFICATION OF THE NORTHERN ECONOMY

Northern development activity is important to the provincial economy. The Ministry and the NADC work with partners to promote economic diversification and ensure that northern perspectives are considered in the development of provincial strategies. During 2003-04, the NADC completed its *Economic Contributions of the NADC Region to Alberta and Canada* report, outlining direct economic contributions from the region. Ministry participation in the cross-ministry Economic Development Strategy and the Rural Development Initiative provided opportunities to emphasize northern issues. Major areas of focus for 2003-04 included tourism, value-added forestry and agriculture, transportation and water.

Tourism: Tourism is becoming an increasingly important component of northern economic diversification and development. During 2003-04, the Ministry, through the NADC, continued to chair the Deh Cho Travel Connection, a co-operative tourism strategy between Alberta and the NWT. The NADC partnered with Travel Alberta North to host the third *Northern Exposure Tourism Conference*, held in Grande Prairie on February 25-27, 2004. The Ministry and the NADC participated in other provincial planning processes to ensure coordination of strategy development and consideration of northern tourism issues. The Ministry will continue to focus on increasing Aboriginal involvement in provincial tourism strategies and initiatives.

Value-Added Forestry and Agriculture: The Ministry continued to participate in interdepartmental monitoring of the impact of tariffs on softwood lumber exports to the United States. The NADC and the Ministry worked with northern stakeholders and organizations to investigate and promote development of the value-added forestry and agricultural sectors. Work continued with the Alberta Beef Team to attract beef producers to the North and with the Alberta New Crops Network on promotion of alternative crops for specialty markets. The NADC continued its active role with the Peace Value-Added Agriculture Group to increase awareness of value-added agricultural opportunities. The Council also completed a study of agricultural land potential in the Fort Vermilion to Fort Nelson area. The Ministry participated in the Sustainable Development Coordinating Committee to ensure consideration of northern issues in provincial value-added strategies and initiatives.

Transportation: While there has been tremendous growth in some parts of northern Alberta, other areas continue to lack basic services including transportation infrastructure. Development of rail, road and air transportation is key to economic development and diversification throughout northern Alberta. Progress in 2003-04 included:

- **Rail Transportation:** Initiation of a feasibility study for the Hythe-Dawson Creek line; discussions with the NWT on enhancing the rail line connection between Hay River and northern Alberta; and analysis of opportunities for improving access to transport containers for northern industries.
- **Road Transportation:** Continued promotion of the Northern Alberta Highways Strategy, including a link between Peace River and Fort McMurray, paving of Highway 881, paving of Highway 88, and work on Highway 58 to Fort Nelson and Garden River.
- **Air Transportation:** Completion of a review of airport facilities in Northern Alberta and connections with the NWT. The NADC also played a lead role in lobbying for retention of air services at the Edmonton city centre airport.

Water: During 2003-04, the Ministry participated in reviews of the draft provincial water strategy, *Water for Life*. Two submissions were presented to the Minister of Environment for consideration in finalizing and implementing the *Water for Life* strategy.

INTER-JURISDICTIONAL PARTNERSHIPS

Partnerships with other jurisdictions provide important opportunities for advancing Northern Alberta's interests. The Ministry represents Alberta in the Alberta-NWT Memorandum of Understanding (MOU) for Co-operation and Development. The Ministry also continued to represent Alberta on the Northern Development Ministers Forum, a partnership with other northern jurisdictions in Canada.

The Minister of AAND is the North American Vice President of The Northern Forum. On behalf of the Ministry, the NADC acted as Alberta's Secretariat to The Northern Forum, an international consortium representing 25 northern government jurisdictions. The Ministry engaged in discussions with British Columbia on northern issues of mutual concern and continued its collaboration with Saskatchewan on northern issues.

ENHANCING NORTHERN SKILL LEVELS

Enhanced skill development is critical for sustaining northern economic development. Northern Alberta is already experiencing skill shortages in a number of areas, including health care. The Ministry and the NADC work with northern communities, educational providers, employers, other government ministries and agencies and other stakeholders to facilitate skill development and recruit and retain skilled labour to work in Northern Alberta.

Bursaries and Practicums: The NADC provides bursary programs (NADC Bursary, Bursary Partnerships Program) to encourage northern students to train in occupations with shortages of northern labour. In 2003-04, the NADC provided 268 bursaries to Alberta students, including:

137 from the NADC Bursary Program and
131 from the Bursary Partnerships Program.

A new bursary was introduced in 2003-04. The NADC Bursary for Medical Students is valued at $5,000, or $10,000 when matched by a sponsor. The NADC awarded two co-sponsored Medical Bursaries last year. NADC Bursary recipients are expected to return to the north to work upon completion of their studies.

During 2003-04, the NADC worked with three Northern Regional Health Authorities (RHAs) (Aspen, Northern Lights, Peace Country) to implement the Northern Alberta Health Care Practicum Placement Pilot Program.

Northern LINKS: Northern LINKS is an NADC program aimed at easing northern students' transition from high school to post-secondary education. In 2003-04, Northern LINKS provided funding for 105 projects, including campus tours, career fairs, guest speakers and mentorship programs. There continues to be an increase in the number of projects due to the success of the program and spreading awareness of the funding available, as well as due to dividing longer term projects into smaller durations.

Skill Development Partnerships: The Ministry and the NADC participate in numerous partnership initiatives aimed at enhancing northern skill levels. Results for 2003-04 include:

- Continued support for the Northern Labour Market Information Clearinghouse, a joint initiative between the NADC and five northern Alberta colleges. During 2003-04, the Clearinghouse produced four reports on current employment trends and training needs in northern Alberta.
- Assistance with preparation of a northern labour inventory on behalf of the Northern Development Ministers Forum.
- Participation on the Aboriginal Teacher Education Program Local Advisory Committee to assist in the University of Alberta's offering of an elementary education degree program in Slave Lake.
- Provision of organizational support and leadership to the Northern Distance Bachelor of Social Work (BSW) Planning Circle.
- Support for the Woodland Operations Learning Foundation (WOLF) to develop and deliver woodlands operation training courses.
- Support to Alberta Learning's Youth Apprenticeship Learning Opportunities Project. During 2003-04, NADC assisted with developing initial curriculum materials.

CONCLUSIONS AND CHALLENGES FOR GOAL 4

To advance the development of Northern Alberta.

AAND and the NADC focused on improved communication and coordination during 2003-04, to enhance awareness of northern Alberta's long-term needs, opportunities and priorities. This focus has resulted in improved coordination and participation in economic diversification and tourism initiatives, as well as enhanced integration between Aboriginal and northern initiatives. NADC's bursary and skill development programs have helped to increase northern students' financial capacity to access employment-related post-secondary training and have helped encourage northern students to complete Grade 12.

PERFORMANCE MEASURES FOR GOAL 4

Performance measures for Goal 4 assess the contribution of NADC processes to the advancement of northern interests and the effectiveness of NADC bursary programs. Results from the 2003 Challenge North Conference are also reported below, as these results were not available in time for inclusion in last year's Annual Report.

Satisfaction with NADC's Contribution to Advancing Northern Interests: Northern leaders, NADC project partners and clients were asked to rate their level of satisfaction with the NADC's "contribution to advancing northern interests." Respondents were asked to express their satisfaction level on a scale of 1 to 10 (1=very dissatisfied; 10=very satisfied). Ninety-four per cent (94%) of respondents rated their satisfaction level at 6 or higher (2003 - 95%). The average rating was 8.1 (2002 - 8.4), which slightly exceeded the Ministry's target of 8 out of 10.

The survey was a random telephone survey conducted by an independent consultant. During April 2004, 123 of 146 identified project partners, clients and key leaders were surveyed. One respondent declined to answer the question relating to rating the NADC. Results are considered reliable to within +/- 5% at a 95% confidence interval.

NADC Bursary Recipients' Return Service Rate: NADC Bursary Programs include a requirement for students to enter into a reciprocal agreement to work in the North upon completion of their education. The return service rate measures compliance with this obligation. The rate includes both those students who are completing their return service and those who have fulfilled their obligation.

Return service rates are based on bursaries received by students who graduated in the previous three years. The current return service rate for the NADC Bursary is 74%, slightly below the Ministry's target of 75% (see table below).

	2001-02	2002-03	2003-04
Return of Service Target	75%	75%	75%
Return Service Rate	74%	78%	74%
Education Completed	Jan 1, 1999 to Dec 31, 2001	Jan 1, 2000 to Dec 31, 2002	Jan 1, 2001 to Dec 31, 2003

SOURCE: NADC Bursaries database

Challenge North Conference Delegates' Support for Identified Priorities: Every three years, the NADC hosts a major conference to gather input from northern stakeholders. The *Challenge North* 2003 Conference took place in Fort McMurray in April 2003, with 224 delegates in attendance. A key objective of the conference involved the ranking of priorities. In small, self-selected groups (based on topic categories), delegates were asked to review 140 previously identified issues, prioritize the issues and develop solutions that might be promoted and/or implemented for their priority issues.

The small group discussions resulted in 23 priority issues and associated top-ranking solutions. All delegates were then asked to choose five issues and solutions that were most important to them, and to rank these choices in order of importance. One hundred four (104) delegates submitted responses. The top five issues and solutions identified by *Challenge North* delegates appear in the table below.

Issue	Solution	Rank
Transportation and Infrastructure How to position northern Alberta's highway requirements.	Inform and lobby for a proactive northern transportation plan and a capital fund to develop northern roads.	1
Health and Social Services Per capita funding formulas for health and social services do not meet northern needs.	Identify the working transients and develop a method of data collection and communicate information to the public.	2
Labour Force Lack of housing services and recreational facilities in remote and high-growth communities hinders recruitment. Aboriginal people want more opportunities to participate in the mainstream economy.	Regional cost-sharing agreement to build and operate amenities (include all users, private and public).	3
Education and Training Accessibility.	Build a strong educational foundation.	4
Agriculture Lack of value-added agriculture development.	Government strategy to encourage value-added industries in the North.	5

Issue	Solution	Rank
Transportation and Infrastructure		
Health and Social Services		
Labour Force		
Education and Training		
Agriculture		

Goal 5: Organizational Excellence

To achieve organizational excellence.

INTRODUCTION

Teamwork and co-operative relationships within government and with Aboriginal and northern organizations, communities and other partners are critical to achieving the Ministry's mission. The Ministry's goal of organizational excellence is intended to promote a healthy corporate environment and effective capacity-building to assist staff in meeting the challenges outlined in the Ministry business plan. During 2003-04, the Ministry focused on human resource development, strategic planning and continuing improvements to operational efficiency.

Human Resources Development: AAND completed development of a Human Resource Plan consistent with the government-wide Corporate Human Resource Development Strategy. The Ministry's Plan was approved and communicated to all staff in July 2003. Implementation of the Ministry Human Resource Plan is ongoing.

The Ministry actively participated in the government-wide Corporate Executive Development (CED) Program, including the CED Advisory Committee. The Ministry, with the Personnel Administration Office and the University of Alberta School of Business, delivered a CED session on the cross-ministry Aboriginal Policy Initiative. This session was intended to assist in improving capacity across the provincial government for considering Aboriginal perspectives and addressing Aboriginal issues.

Strategic Planning: The Ministry contributed to development of the Government of Alberta 2004-07 Strategic Plan, including the *Aboriginal Policy Framework* as a Medium-Term Strategic Plan and the Aboriginal Policy Initiative as one of four cross-ministry initiatives. The Ministry also redeveloped the Government Business Plan Aboriginal Goal.

Implementation of internal strategic planning processes continued during 2003-04, led by the Ministry Executive Committee. The Ministry established a Corporate Planning Team, reporting to Executive Committee, to engage staff in business planning processes. Corporate Employee Survey results indicate a high level of staff engagement in Ministry, section and individual planning, and a strong alignment between organizational and individual goals (see Performance Measures for Goal 5).

Operational Efficiency: During 2003-04, the Ministry completed a review of agreements between the province and Aboriginal communities, organizations and governments. AAND is developing a digital catalogue system for existing and future agreements, for use by all Alberta ministries. The Ministry is also developing a digital database system to manage research resources more efficiently.

The Ministry prepared and exercised its Business Resumption Plan in accordance with the *Disaster Services Act*, Government Emergency Planning Regulation (62/2000). The Ministry developed and implemented a Risk Management Framework and Best Practices acceptable to the Office of the Auditor General (OAG). AAND also completed an Information Technology (IT) plan that complies with Government of Alberta corporate standards.

CONCLUSIONS AND CHALLENGES FOR GOAL 5

To achieve organizational excellence.

The desired outcome for Goal 5 is effective working relationships, both within the Ministry and with partners, to achieve the Ministry's mission. The Ministry has made continual improvements in its administrative and operational practices since its establishment in 2001. Despite these improvements, increasing expectations from stakeholders, other ministries and other partners will continue to present a challenge.

PERFORMANCE MEASURES FOR GOAL 5

AAND measures progress toward its organizational Goal using results from the Corporate Employee Survey, administered annually across the Alberta Public Service (APS). Eighty-seven per cent (87%) of Ministry staff participated in the 2003 Corporate Employee Survey. The margin of error for AAND employee survey results is no greater than +/- 5% at a 95% confidence level. For the APS as a whole (including APS averages), the sample size was 7,454, with a margin of error no greater than +/- 1% at a 95% confidence level.

Link to Business Planning: In 2003, 87% of Ministry staff surveyed agreed that the organization helps them know and understand how the work of the department contributes to government business plan goals. This is an increase of 8% over the previous year (2002 results - 79%) and 28% higher than the APS average for 2003.

In addition, 87% of staff surveyed agreed that they know and understand how their work contributes to the achievement of the department business plan. This is an increase of 10% over the previous year (2002 results - 77%).

and 12% higher than the APS average for 2003. Results from both survey questions exceeded the Ministry target of 8 out of 10 (80%) and suggest a strong alignment between individual, Ministry, and government goals.

Learning Opportunities and Support: Of the five survey questions related to learning opportunity and support, the majority of Ministry staff agreed that the organization provides the support they need to:

- acquire or develop knowledge and skills in their current job (72%)
- help them acquire or develop their knowledge and skills that would make them more competitive in the job market (70%)
- provide high-quality service (62%)
- balance their personal and work lives (60%) and
- adapt to changes in their work environments (55%).

Therefore, on average, 64% of Ministry staff surveyed agreed that they receive adequate learning opportunities and support. Although below the Ministry target of 7.5 out of 10 (75%), the 2003 results show substantial improvement from the previous year (2002 results - 53%) and exceed the 2003 APS average of 61%.

Future Corporate Planning Direction

During 2003-04, Alberta adopted government-wide standards for development of Ministry Business Plans. AAND reviewed its business plan for compliance with these standards and made adjustments to the Ministry goals and performance measures. With assistance from the Office of the Auditor General (OAG), the Ministry conducted a logic modelling exercise and developed narrative performance measures for the Ministry 2004-07 Business Plan. Revisions to the Ministry goals and performance measures for 2004-07 are outlined in the table below.

Business Plan Goals and Performance Measures

2003-06	2004-07
GOAL 1: To provide strategic and coordinated responses to improve the participation of Aboriginal people in Alberta's social and economic opportunities. · Report on the results of the objectives and targets, identified in the cross-ministry Aboriginal Policy Initiative for 2003-04, which show improvements for Aboriginal people. · Maintain the government's public approval rating on Aboriginal Affairs that is higher than British Columbia, Saskatchewan, Manitoba and Ontario government averages. Supplementary Measures · Analysis of Canada Census data. · Aboriginal Policy Initiative, long-term measures, 2000-2010.	> GOAL 1: Proactively collaborate with Aboriginal governments/ organizations, other ministries, jurisdictions and stakeholders to identify and resolve issues. · Métis Settlements self-generated revenue from industrial taxation, user fees and levies. · Narrative report on development of the Aboriginal Policy Checklist. > GOAL 2: Assist in development of strategies and initiatives to promote the well-being and self-reliance of Aboriginal people in Alberta. · Percentage of targets identified in Aboriginal Policy Initiative 2004-05 achieved. · Percentage of Alberta Ministries addressing Aboriginal issues. · Narrative report on strategies to address regulatory barriers to economic development on First Nation reserves.
GOAL 2: To promote self-reliance and self-regulating Métis Settlement governments. · Two-per-cent increase in Métis Settlement self-generated revenues. · Métis Settlements General Council and Settlements have performance indicators included in all business plans. · Establish a baseline of infrastructure development on Métis Settlements.	
GOAL 3: To facilitate the resolution of land claims and other claims by Aboriginal people concerning the province. · No performance measures developed for this goal.	

Business Plan Goals and Performance Measures (cont'd)

2003-06		2004-07
GOAL 4: To advance development of Northern Alberta. · Northern leaders, project partners and clients report satisfaction with NADC's contribution in advancing Northern interests. The target is an average rating of 8 out of 10. · Achieve a NADC Bursary recipients' return service rate of 75%.	>	GOAL 3: To advance development of Northern Alberta. · Partner satisfaction with NADC's contribution in advancing northern interests. · NADC Bursary recipients' return service rate
GOAL 5: To achieve organizational excellence. · Staff understand their link to the Business Plan as measured by the annual Corporate Employee Survey: achieve an average rating of 8 out of 10. · Staff satisfaction with learning opportunities and support as measured by the annual Corporate Employee Survey: achieve an average rating of 7.5 out of 10.	>	GOAL 4: To achieve organizational excellence. · Percentage of employees who know and understand how their work contributes to achievement of the Department Business Plan.

Financial Statements

March 31, 2004

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AUDITOR GENERAL
Alberta

Auditor's Report

To the Members of the Legislative Assembly

I have audited the statement of financial position of the Ministry of Aboriginal Affairs and Northern Development as at March 31, 2004 and the statements of operations and cash flow for the year then ended. These financial statements are the responsibility of the Ministry's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Ministry as at March 31, 2004 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Fred J. Dunn

Fred J. Dunn, FCA
AUDITOR GENERAL

Edmonton, Alberta
May 21, 2004

STATEMENT OF OPERATIONS

For the year ended March 31, 2004
(in thousands)

	Budget (Schedule 3)	2004 Actual	2003 Actual
REVENUES			
Other Revenue	$ 45	$ 60	$ 493
	45	60	493
EXPENSES - DIRECTLY INCURRED (Note 2b and Schedule 7)			
Voted (Schedules 2 and 4)			
Aboriginal Affairs	12,625	16,497	44,085
Metis Settlements Appeal Tribunal	930	967	930
Northern Development	1,974	1,926	1,953
Metis Settlements Governance	6,074	5,910	6,743
	21,603	25,300	53,711
Statutory (Schedules 2 and 4)			
Metis Settlements Legislation	10,000	10,000	10,000
Valuation Adjustments			
Provision for Doubtful Account	-	-	1
Provision for Vacation Pay	-	11	39
	10,000	10,011	10,040
	31,603	35,311	63,751
NET OPERATING RESULTS	$ (31,558)	$ (35,251)	$ (63,258)

The accompanying notes and schedules are part of these financial statements.

STATEMENT OF FINANCIAL POSITION

As at March 31, 2004
(in thousands)

	2004	2003
ASSETS		
Cash	$ -	$ 23
Accounts Receivable	23	30
Advances	6	7
	$ 29	$ 60
LIABILITIES		
Accounts Payable and Accrued Liabilities (Note 3)	$ 17,437	$ 19,784
NET LIABILITIES		
Net Liabilities at Beginning of Year	(19,724)	(2,750)
Net Operating Results	(35,251)	(63,258)
Net Transfer from General Revenues	37,567	46,284
Net Liabilities at End of Year	(17,408)	(19,724)
	$ 29	$ 60

The accompanying notes and schedules are part of these financial statements.

STATEMENT OF CASH FLOW

For the year ended March 31, 2004
(in thousands)

	2004	2003
OPERATING TRANSACTIONS		
Net Operating Results	$ (35,251)	$ (63,258)
Non-cash items included in Net Operating Results		
Valuation Adjustments	11	40
	(35,240)	(63,218)
Decrease in Accounts Receivable and Advances	8	486
(Decrease) Increase in Accounts Payable and Accrued Liabilities (Note 3)	(2,358)	15,931
Cash Applied to Operating Transactions	(37,590)	(46,801)
FINANCING TRANSACTIONS		
Net Transfer from General Revenues	37,567	46,284
(Decrease) in Cash	(23)	(517)
Cash at Beginning of Year	23	540
Cash at End of Year	$ -	$ 23

The accompanying notes and schedules are part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended March 31, 2004

NOTE 1 AUTHORITY AND PURPOSE

The Ministry of Aboriginal Affairs and Northern Development operates under the authority of the *Government Organization Act, Chapter G-10, Revised Statutes of Alberta 2000.*

The purpose of the Ministry of Aboriginal Affairs and Northern Development is to lead in the development of government wide strategies and policies to improve the well-being and self-reliance of Aboriginal people; to promote development of Northern Alberta; and to guide Alberta's relations with Aboriginal and northern governments, communities and organizations and other partners.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

The recommendations of the Public Sector Accounting Board of the Canadian Institute of Chartered Accountants are the primary source for the disclosed basis of accounting. Recommendations of the Accounting Standards Board of the Canadian Institute of Chartered Accountants, other authoritative pronouncements, accounting literature, and published financial statements relating to either the public sector or analogous situations in the private sector are used to supplement the recommendations of the Public Sector Accounting Board where it is considered appropriate. These financial statements are prepared in accordance with the following accounting policies that have been established by government for all ministries.

A. Reporting Entity

The reporting entity is the Ministry of Aboriginal Affairs and Northern Development for which the Minister of Aboriginal Affairs and Northern Development is accountable. The Ministry Annual Report provides more information on the Ministry's operations for which the Minister is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net transfer (to) from General Revenues is the difference between all cash receipts and all cash disbursements made.

B. Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting.

Dedicated Revenue

Dedicated revenue initiatives provide a basis for authorizing spending. Dedicated revenues are shown as credits or recoveries in the details of the Government Estimates for a supply vote. If actual dedicated revenues are less than budget and total voted expenses are not reduced by an amount sufficient to cover the deficiency in dedicated revenues, the following year's voted expenses are encumbered. If actual dedicated revenues exceed budget, the Ministry may, with the approval of the Treasury Board, use the excess revenue to fund additional expenses on the program. Schedule 1 discloses information on the Ministry's dedicated revenue initiatives.

Expenses

Directly Incurred

Directly incurred expenses are those costs the Ministry has primary responsibility and accountability for, as reflected in the Government's budget documents.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- pension costs which comprise the cost of employer contributions for current service of employees during the year.
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.

Incurred by Others

Services contributed by other entities in support of the Ministry operations are disclosed in Schedule 6.

Assets

Financial assets of the Ministry are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals. The fair values of the financial assets are estimated to approximate their carrying values because of the short term nature of these instruments. Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

Accounts receivable are unsecured and non-interest bearing.

Advances represent amounts provided to Ministry employees for travel expenses and are non-interest bearing and recoverable on demand.

The threshold for capitalizing new systems development is $100,000 and the threshold for all other tangible capital assets is $15,000. The Ministry has no tangible capital assets exceeding these thresholds.

Liabilities

Liabilities represent all financial claims payable by the Ministry at fiscal year end. The fair value of accounts payable and accrued liabilities is estimated to approximate their carrying value.

Net Liabilities

Net liabilities represents the difference between the carrying values of assets held by the Ministry and its liabilities.

NOTE 3 ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

(in thousands)

	2004	2003
Accounts Payable	$ 266	$ 1,907
ACCRUED LIABILITIES		
Manpower	286	182
Supplies and Services	16,264 [1]	17,057
Grants	113	144
Vacation Pay	495	484
Other	13	10
	$ 17,437	$ 19,784

[1] Includes an obligation to pay $12,500 over five years under a settlement agreement with a First Nation. The annual payment is $2,500.

NOTE 4 COMMITMENTS

As at March 31, 2004, the Ministry has a commitment of $30 million (2003 - $40 million) under the *Metis Settlements Accord Implementation Act*. The Act requires payment of $10 million per year until April 1, 2006.

In 1997 an agreement was signed suspending Sections 7, 8 and schedule 1 of the *Metis Settlements Accord Implementation Act*. These sections outlined future obligations with respect to matching of the amount the Metis Settlements Council collected from eligible sources each year until March 31, 2002, and provided for matching grants in the years from April 1, 2002 to March 31, 2007. As future obligations cannot be determined, these sections of the agreement have been replaced with annual amendments that provide for the current year's allocation.

A Matching Grants Replacement Agreement between the Ministry and the Metis Settlements General Council provides for a commitment of funding to the Metis Settlements General Council of $4,871,000 (2003 - $5,272,000).

The Ministry has commitments to pay $600,000 over the next two years under protocol agreements and memoranda of understanding with First Nations.

As at March 31, 2004, the Ministry also had service contract and grant contract commitments totaling $450,000 (2003 - $362,000).

NOTE 5 CONTINGENCIES

The Province, as represented by the Ministry of Aboriginal Affairs and Northern Development, has a contingent liability in respect of 39 claims (2003 - 37) concerning Aboriginal rights, Indian title and treaty rights. In most cases, these claims have been filed jointly and severally against the Province of Alberta and the Government of Canada, and in some cases involve third parties. Of these claims, 24 (2003 - 21) have specified amounts totaling $129,497 million (2003 - $64,447 million) plus a provision for interest and other costs that are not now calculable. The other 15 claims (2003 - 16) have not specified any amounts. At this time, the outcome of these claims cannot be determined.

In addition, there are 3 treaty land entitlement claims (2003 - 4 claims) for which Alberta may have an obligation under the Natural Resource Transfer Agreement.

NOTE 6 DEFINED BENEFIT PLANS

(in thousands)

The Ministry participates in the multi-employer pension plans, Management Employees Pension Plan and Public Service Pension Plan. The Ministry also participates in the multi-employer Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $377 for the year ended March 31, 2004 ($2003 - $315).

At December 31, 2003, the Management Employees Pension Plan reported a deficiency of $290,014 ($2002 - $301,968) and the Public Service Pension Plan reported an actuarial deficiency of $596,213 ($2002 - $175,528). At December 31, 2003, the Supplementary Retirement Plan for Public Service Managers had an actuarial surplus of $9,312 ($2002 - $6,472).

The Ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2004, the Bargaining Unit Plan reported an actuarial deficiency of $9,766 ($2003 - $14,434) and the Management, Opted Out and Excluded Plan an actuarial surplus of $1,298 ($2003 - actuarial deficiency of $3,053). The expense for these two plans is limited to the employer's annual contributions for the year.

NOTE 7 COMPARATIVE FIGURES

Certain 2003 figures have been reclassified to conform to the 2004 presentation.

NOTE 8 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Senior Financial Officer and the Deputy Minister.

SCHEDULE TO THE FINANCIAL STATEMENTS - Schedule 1

Dedicated Revenue Initiatives

For the year ended March 31, 2004
(in thousands)

	2004		
	Authorized Dedicated Revenues	Actual Dedicated Revenues	(Shortfall) / Excess
Northern Alberta Labour Market Clearing House	$ 45	$	[1] $ (45)

Northern Alberta Development Council partners with post-secondary institutions to sponsor a Northern Labour Market Information Clearing House, which provides employment and economic data with a focus on industry and employment driven training needs.

[1] Shortfall is deducted from current year's authorized budget, as disclosed in Schedules 3 and 4 to the financial statements.

SCHEDULE TO THE FINANCIAL STATEMENTS - Schedule 2

Expenses - Directly Incurred Detailed by Object

For the year ended March 31, 2004
(in thousands)

	2004		2003
	Budget	Actual	Actual
VOTED			
Grants			
Metis Settlements Governance	$ 5,272	$ 5,272	$ 6,269
Aboriginal Affairs	1,526	3,769	3,193
Northern Development	425	317	399
	7,223	9,358	9,861
Salaries, Wages and Employee Benefits	4,633	5,000	4,380
Supplies and Services	9,701	10,635	39,192
Supplies and Services from Support Service Arrangements with Related Parties (a)	-	229	201
	9,701	10,864	39,393
Financial Transactions and Other	46	78	77
	$ 21,603	$ 25,300	$ 53,711
STATUTORY			
Grants			
Metis Settlements Legislation	$ 10,000	$ 10,000	$ 10,000
Valuation Adjustments			
Provision for Doubtful Accounts	-	-	1
Provision for Vacation Pay	-	11	39
	$ 10,000	$ 10,011	$ 10,040

(a) The Ministry receives financial reporting and human resource services from the Ministry of Learning. The Ministry also receives information technology services, financial, and administrative services from the Ministry of International and Intergovernmental Relations.

SCHEDULE TO THE FINANCIAL STATEMENTS - Schedule 3

Budget

For the year ended March 31, 2004
(in thousands)

	2003-2004 Estimates	Adjustment (a)	2003-2004 Budget	Authorized Supplementary (b)	2003-2004 Authorized Budget
REVENUES					
Other Revenue	$ 45	$ -	$ 45	$ -	$ 45
	45	-	45	-	45
EXPENSES - DIRECTLY INCURRED					
Voted Expenses					
Aboriginal Affairs	12,625	-	12,625	3,750	16,375
Metis Settlements Appeal Tribunal	930	-	930	-	930
Northern Development	1,974	-	1,974	-	1,974
Metis Settlements Governance	6,074	-	6,074	-	6,074
Dedicated Revenue Shortfall (Schedule 1)	-	(45)	(45)	-	(45)
	21,603	(45)	21,558	3,750	25,308
Statutory Expenses					
Metis Settlements Legislation	10,000	-	10,000	-	10,000
Valuation Adjustments					
Provision for Doubtful Accounts	-		-		-
Provision for Vacation Pay	-		-		-
	10,000	-	10,000	-	10,000
	31,603	(45)	31,558	3,750	35,308
NET OPERATING RESULTS	$ (31,558)	$ 45	$ (31,513)	$ (3,750)	$ (35,263)

(a) Adjustment includes dedicated revenue shortfall.

(b) Supplementary Estimates were approved on Dec. 4, 2003 and Mar. 11, 2004.

SCHEDULE TO THE FINANCIAL STATEMENTS - Schedule 4

Comparison of Expenses - Directly Incurred by Element to Authorized Budget

For the year ended March 31, 2004
(in thousands)

	2003-2004 Estimates	Adjustment (a)	Authorized Supplementary (b)	2003-2004 Authorized Budget	Actual Expense (c)	Unexpended (Over Expended)
VOTED EXPENSES						
Aboriginal Affairs						
1.0.1 Minister's Office	$ 300	$ -	$ -	$ 300	$ 299	$ 1
1.0.2 Ministry Support Services	1,461	-	-	1,461	1,675	(214)
1.0.3 Aboriginal Affairs	10,864	-	2,000	12,864	14,523	(1,659)
1.0.4 Land and Legal Settlements	-	-	1,750	1,750	-	1,750
	12,625	-	3,750	16,375	16,497	(122)
Metis Settlements Appeal Tribunal						
2.0.1 Metis Settlements Appeal Tribunal	930	-	-	930	967	(37)
Northern Development						
3.0.1 Northern Development	1,974	-	-	1,974	1,926	48
3.0.1 Dedicated Revenue Shortfall (Schedule 1)	-	(45)	-	(45)	-	(45)
	1,974	(45)	-	1,929	1,926	3
Metis Settlement Governance						
4.0.1 Metis Settlements Funding	5,272	-	-	5,272	5,272	-
4.0.2 Land Registry	352	-	-	352	188	164
4.0.3 Ombudsman Office	450	-	-	450	450	-
	6,074	-	-	6,074	5,910	164
	$ 21,603	$ (45)	$ 3,750	$ 25,308	$ 25,300	$ 8
STATUTORY EXPENSES						
Metis Settlements Legislation	$ 10,000	$ -	$ -	$ 10,000	$ 10,000	$ -
Valuation Adjustments						
Provision for Vacation Pay	-	-	-	-	11	(11)
	$ 10,000	$ -	$ -	$ 10,000	$ 10,011	$ (11)

(a) Adjustment includes dedicated revenue shortfall.

(b) Supplementary Estimates were approved on Dec. 4, 2003 and Mar. 11, 2004.

(c) Includes achievement bonus amounting to $252.

SCHEDULE TO THE FINANCIAL STATEMENTS - Schedule 5

Salary and Benefits Disclosure

For the year ended March 31, 2004

	2004				2003
	Base Salary (1)	Other Cash Benefits (2)	Other Non-Cash Benefits (3)	Total	Total
Deputy Minister (4)	$ 152,808	$ 29,836	$ 33,445	$ 216,089	$ 222,908
Executives					
Assistant Deputy Minister - Aboriginal Affairs	115,236	14,761	25,508	155,505	151,716
Executive Director - Northern Alberta Development Council	91,500	11,721	20,573	123,794	111,914
Executive Director - Strategic Services	103,536	23,096	21,708	148,340	142,134
Executive Director - Aboriginal Land & Legal Issues	105,696	24,828	24,209	154,733	146,955
Director - Corporate Services (5)	89,868	16,488	19,477	125,833	105,407

Total salary and benefits relating to a position are disclosed.

(1) Base salary includes pensionable base pay.

(2) Other cash benefits include bonuses, vacation payments, overtime, and lump sum payments.

(3) Other non-cash benefits include government's share of all employee benefits and contributions or payments made on behalf of employees including pension, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships and tuition fees.

(4) Automobile provided, no dollar amount included in other non-cash benefits figures.

(5) The incumbent's services are shared equally with the Ministry of International and Intergovernmental Relations which contributes its own share of the cost of salary and benefits. Full salary and benefits are disclosed in this Schedule.

SCHEDULE TO THE FINANCIAL STATEMENTS - Schedule 6

Related Party Transactions

For the year ended March 31, 2004
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Province of Alberta's financial statements. Related parties also include management in the Ministry.

The Ministry and its employees paid or collected certain taxes and fees set by regulation for permits, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this Schedule.

The Ministry had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties.

	2004	2003
EXPENSES - DIRECTLY INCURRED		
Supplies and services provided by other ministries	$ 638	$ 465

The above transactions do not include support service arrangement transactions disclosed in Schedule 2.

The Ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 7.

	2004	2003
EXPENSES - INCURRED BY OTHERS		
Accommodation	$ 1,348	$ 1,105
Legal	560	413
	$ 1,908	$ 1,518

SCHEDULE TO THE FINANCIAL STATEMENTS - Schedule 7

Allocated Costs

For the year ended March 31, 2004
(in thousands)

	2004					2003
		Expenses - Incurred by Others		Valuation Adjustments		
Program	Expenses (1)	Accommodation Costs (2)	Legal Services (3)	Vacation Pay (4)	Expenses	Expenses
Aboriginal Affairs	$ 16,497	$ 1,008	$ 558	$ 20	$ 18,083	$ 45,270
Metis Settlements Appeals Tribunal	967	63	-	-	1,030	972
Northern Development	1,926	104	2	(9)	2,023	2,034
Metis Settlements Governance	5,910	173	-	-	6,083	6,993
Metis Settlements Legislation	10,000	-	-	-	10,000	10,000
	$ 35,300	$ 1,348	$ 560	$ 11	$ 37,219	$ 65,269

(1) Expenses - Directly Incurred as per Statement of Operations, excluding valuation adjustments.

(2) Costs shown for Accommodation on Schedule 6, allocated by square footage.

(3) Costs shown for Legal Services on Schedule 6, allocated by estimated costs incurred by each program.

(4) Costs shown for Vacation Pay, allocated by employee by program.

Alphabetical List Of Government Entities' Financial Statements

Entities Included in the Consolidated Government Reporting Entity

MINISTRY, DEPARTMENT, FUND OR AGENCY	MINISTRY ANNUAL REPORT
Agriculture Financial Services Corporation[1]	Agriculture, Food and Rural Development
Alberta Alcohol and Drug Abuse Commission	Health and Wellness
Alberta Capital Finance Authority	Finance
Alberta Dairy Control Board[2]	Agriculture, Food and Rural Development
Alberta Energy and Utilities Board	Energy
Alberta Foundation for the Arts	Community Development
Alberta Gaming and Liquor Commission	Gaming
Alberta Government Telephones Commission	Finance
Alberta Heritage Foundation for Medical Research Endowment Fund	Revenue
Alberta Heritage Savings Trust Fund	Revenue
Alberta Heritage Scholarship Fund	Revenue
Alberta Heritage Science and Engineering Research Endowment Fund	Revenue
Alberta Historical Resources Foundation, The	Community Development
Alberta Insurance Council	Finance
Alberta Pensions Administration Corporation	Finance
Alberta Petroleum Marketing Commission	Energy
Alberta Research Council Inc.	Innovation and Science
Alberta Risk Management Fund	Revenue
Alberta School Foundation Fund	Learning
Alberta Science and Research Authority	Innovation and Science
Alberta Securities Commission	Revenue
Alberta Social Housing Corporation	Seniors
Alberta Sport, Recreation, Parks and Wildlife Foundation	Community Development
Alberta Treasury Branches	Finance
ATB Investment Services Inc.	Finance
Child and Family Services Authorities:	Children's Services
Calgary and Area Child and Family Services Authority	
Central Alberta Child and Family Services Authority	

[1] The Crop Reinsurance Fund of Alberta was merged into the Agriculture Financial Services Corporation, effective April 1, 2003.

[2] Dissolved August 1, 2003

MINISTRY, DEPARTMENT, FUND OR AGENCY	MINISTRY ANNUAL REPORT
Child and Family Services Authorities (cont'd)	Children's Services
North Central Alberta Child and Family Services Authority	
Northeast Alberta Child and Family Services Authority	
Northwest Alberta Child and Family Services Authority	
Southeast Alberta Child and Family Services Authority	
Southwest Alberta Child and Family Services Authority	
Metis Settlements Child and Family Services Authority	
Credit Union Deposit Guarantee Corporation	Finance
Crop Reinsurance Fund of Alberta[1]	Agriculture, Food and Rural Development
Department of Agriculture, Food and Rural Development	Agriculture, Food and Rural Development
Department of Children's Services	Children's Services
Department of Community Development	Community Development
Department of Energy	Energy
Department of Finance	Finance
Department of Gaming	Gaming
Department of Health and Wellness	Health and Wellness
Department of Innovation and Science	Innovation and Science
Department of Learning	Learning
Department of Revenue	Revenue
Department of Seniors	Seniors
Department of Solicitor General	Solicitor General
Department of Sustainable Resource Development	Sustainable Resource Development
Environmental Protection and Enhancement Fund	Sustainable Resource Development
Gainers Inc	Finance
Government House Foundation, The	Community Development
Historic Resources Fund	Community Development
Human Rights, Citizenship and Multiculturalism Education Fund	Community Development
iCORE Inc	Innovation and Science
Lottery Fund	Gaming
Ministry of Aboriginal Affairs and Northern Development[1]	Aboriginal Affairs and Northern Development
Ministry of Agriculture, Food and Rural Development	Agriculture, Food and Rural Development
Ministry of Children's Services	Children's Services
Ministry of Community Development	Community Development[1]
Ministry of Economic Development[1]	Economic Development
Ministry of Energy	Energy
Ministry of Environment[1]	Environment
Ministry of Finance	Finance

MINISTRY, DEPARTMENT, FUND OR AGENCY	MINISTRY ANNUAL REPORT
Ministry of Executive Council [1]	Executive Council
Ministry of Gaming	Gaming
Ministry of Government Services [1]	Government Services
Ministry of Health and Wellness	Health and Wellness
Ministry of Human Resources and Employment [1]	Human Resources and Employment
Ministry of Infrastructure [1]	Infrastructure
Ministry of Innovation and Science	Innovation and Science
Ministry of International and Intergovernmental Relations [1]	International and Intergovernmental Relations
Ministry of Justice [1]	Justice
Ministry of Learning	Learning
Ministry of Municipal Affairs [1]	Municipal Affairs
Ministry of Revenue	Revenue
Ministry of Seniors	Seniors
Ministry of Solicitor General	Solicitor General
Ministry of Sustainable Resource Development	Sustainable Resource Development
Ministry of Transportation [1]	Transportation
N.A. Properties (1994) Ltd.	Finance
Natural Resources Conservation Board	Sustainable Resource Development
Persons with Developmental Disabilities Boards	Community Development
Calgary Region Community Board	
Central Region Community Board	
Edmonton Region Community Board	
Northeast Region Community Board	
Northwest Region Community Board	
Provincial Board	
South Region Community Board	
Provincial Judges and Masters in Chambers Reserve Fund	Finance
Supplementary Retirement Plan Reserve Fund	Finance
Victims of Crime Fund	Solicitor General
Wild Rose Foundation	Community Development

[1] Ministry includes only the department so separate department financial statements are not necessary.

Entities Not Included in the Consolidated Government Reporting Entity

FUND OR AGENCY	MINISTRY ANNUAL REPORT
Alberta Cancer Board	Health and Wellness
Alberta Foundation for Health Research	Innovation and Science
Alberta Heritage Foundation for Medical Research	Innovation and Science
Alberta Heritage Foundation for Science and Engineering Research	Innovation and Science
Alberta Mental Health Board	Health and Wellness
Alberta Teachers' Retirement Fund Board	Learning
Improvement Districts' Trust Account	Municipal Affairs
Local Authorities Pension Plan	Finance
Long-Term Disability Income Continuance Plan – Bargaining Unit	Human Resources and Employment
Long-Term Disability Income Continuance Plan – Management, Opted Out and Excluded	Human Resources and Employment
Management Employees Pension Plan	Finance
Provincial Judges and Masters in Chambers Pension Plan	Finance
Public Post Secondary Institutions	Learning
Public Service Management (Closed Membership) Pension Plan	Finance
Public Service Pension Plan	Finance
Regional Health Authorities	Health and Wellness
School Boards	Learning
Special Areas Trust Account	Municipal Affairs
Special Forces Pension Plan	Finance
Supplementary Retirement Plan for Provincial Judges and Masters in Chambers	Finance
Supplementary Retirement Plan for Public Service Managers	Finance
Workers' Compensation Board	Human Resources and Employment

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